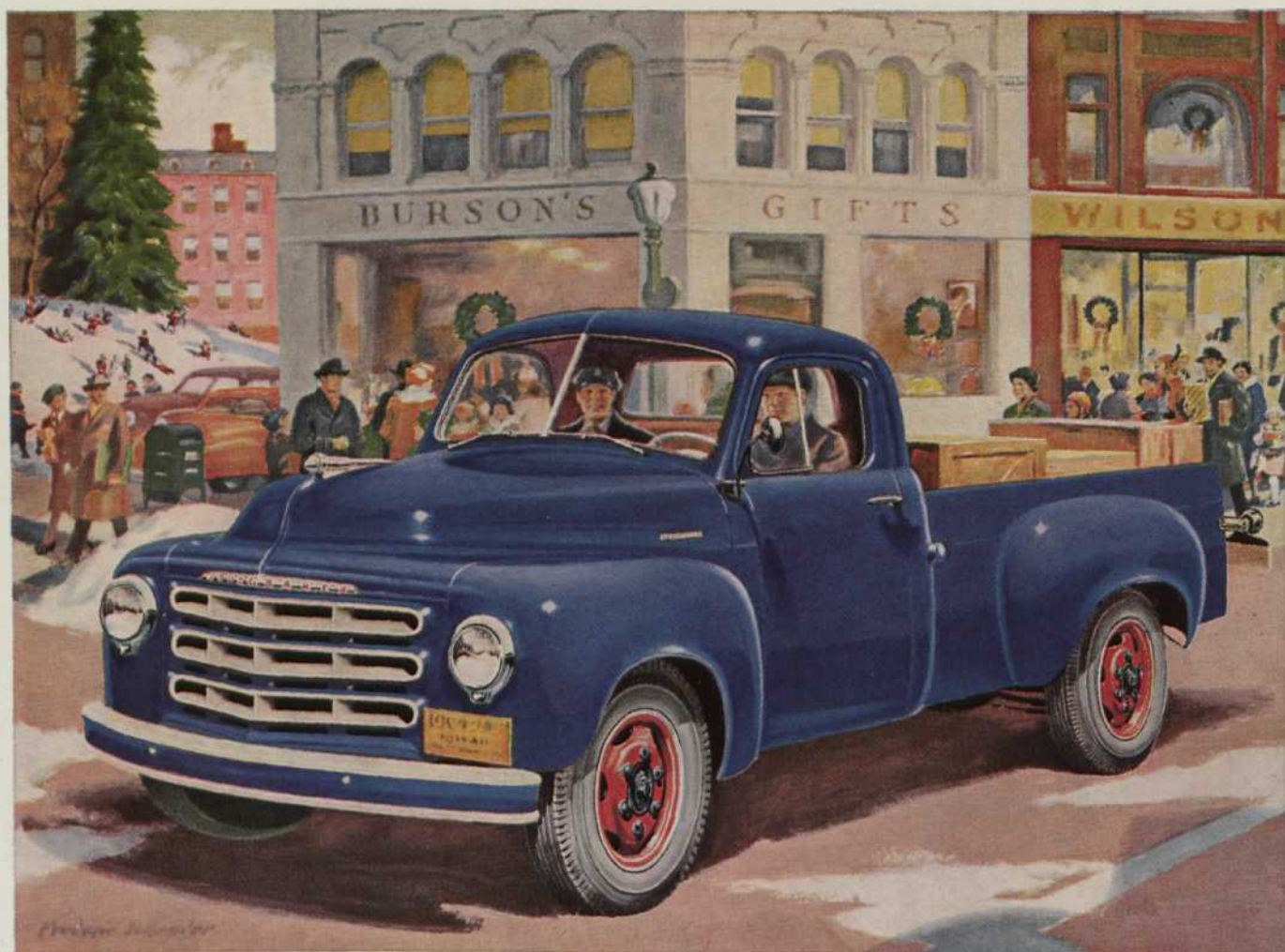


DECEMBER 1950

Nation's BUSINESS





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3 CITIES THAT HAVE EARNED THEIR...

M's

When you see an athlete wearing the block **M** of the University of Michigan you know he is outstanding in his field. Certain Michigan cities rate a block **M** too. Manistee, Midland and Mount Pleasant are among them.

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Many Americans daydream about towns like these. Perhaps it is because they once lived in such a community and want to go back; perhaps some brief contact has given them a sudden insight into the charm and soundness of smaller towns.

If you are looking for a good place to establish a factory or a business, make a memo to investigate Manistee, Midland and Mount Pleasant. These are three of the many fine cities in *Outstate Michigan** served by Consumers Power Co.

Manistee (population 12,000) is a deep water port on Lake Michigan at the mouth of the Manistee River 120 miles north of Grand Rapids. Manistee, known as the "Salt Capital of the World," also produces insulating and box board papers, clothing, shoes, drop forgings, pumps, furniture, pleasure boats, time stamps, bromine, magnesium oxide and core sand. It is a popular summer resort.

Midland (population 15,000) is 18 miles west of Bay City. It is the home of the Dow Chemical Company, one of the world's greatest chemical industries; also Dow Corning Company, manufacturers of the new silicone products. Pelleted seeds originated with and were developed by Processed Seeds, Inc., of Midland. Few towns have such a high percentage of chemical engineers and other college graduates.

Mount Pleasant (population 11,500) is the center of Michigan's Lower Peninsula. It is called the oil capital of Michigan because of producing fields nearby. Central Michigan College of Education is here. Mount Pleasant manufactures gasoline, motor oil, sugar, automobile parts, flour and condensed milk. It is trading center for a rich farming district.

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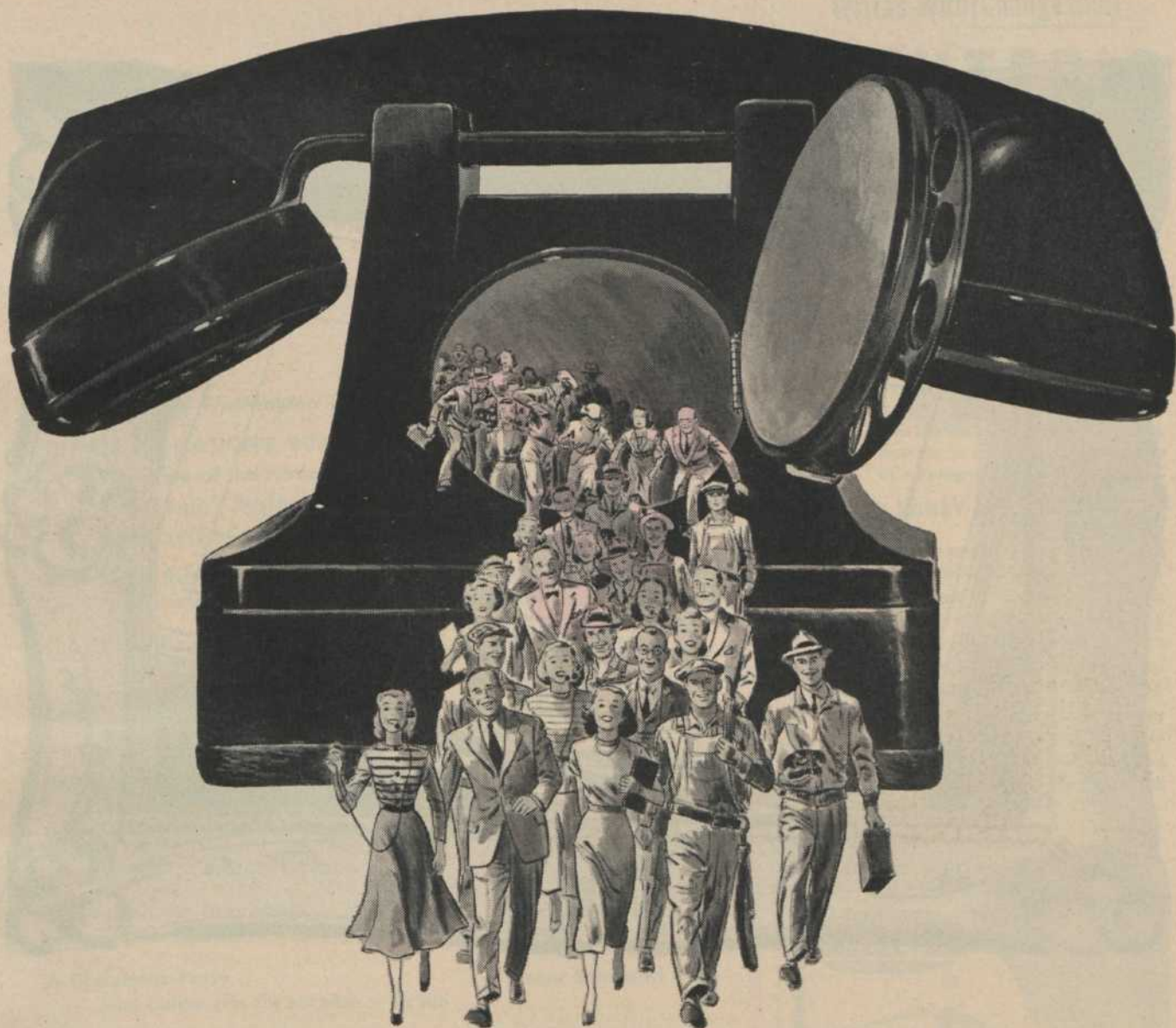


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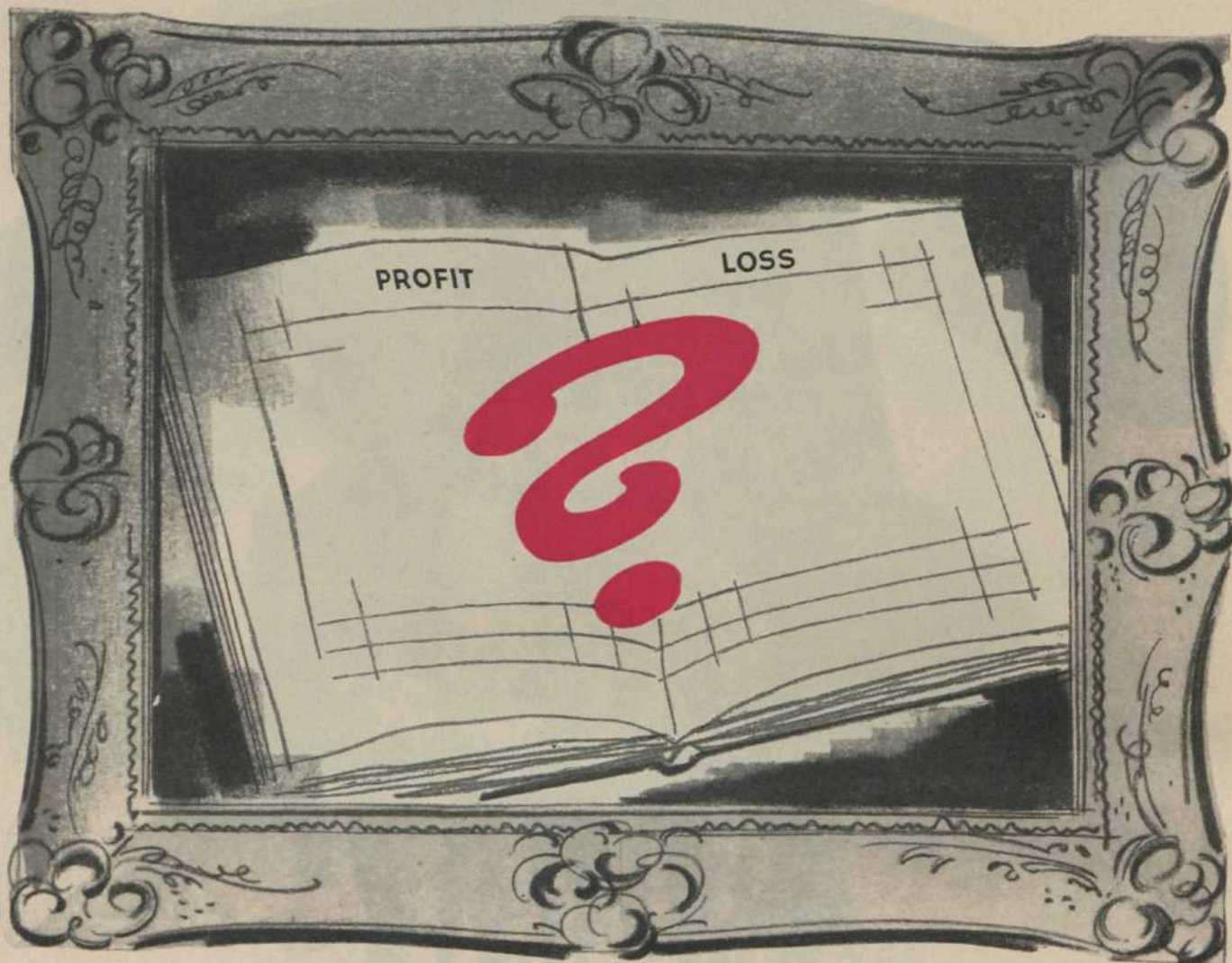
These are important. But they could not possibly do the job without the skill, loyalty and courtesy of more than 600,000 Bell Telephone men and women.

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Nation's Business

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ABOUT OUR AUTHORS

PAUL HOFFMASTER journeyed to familiar territory recently when he visited York, Pa., to do the illustrations for the Milton Lehman article. Though he is now a Washingtonian (the District of Columbia variety), he was born and brought up in Pennsylvania Dutch country—in



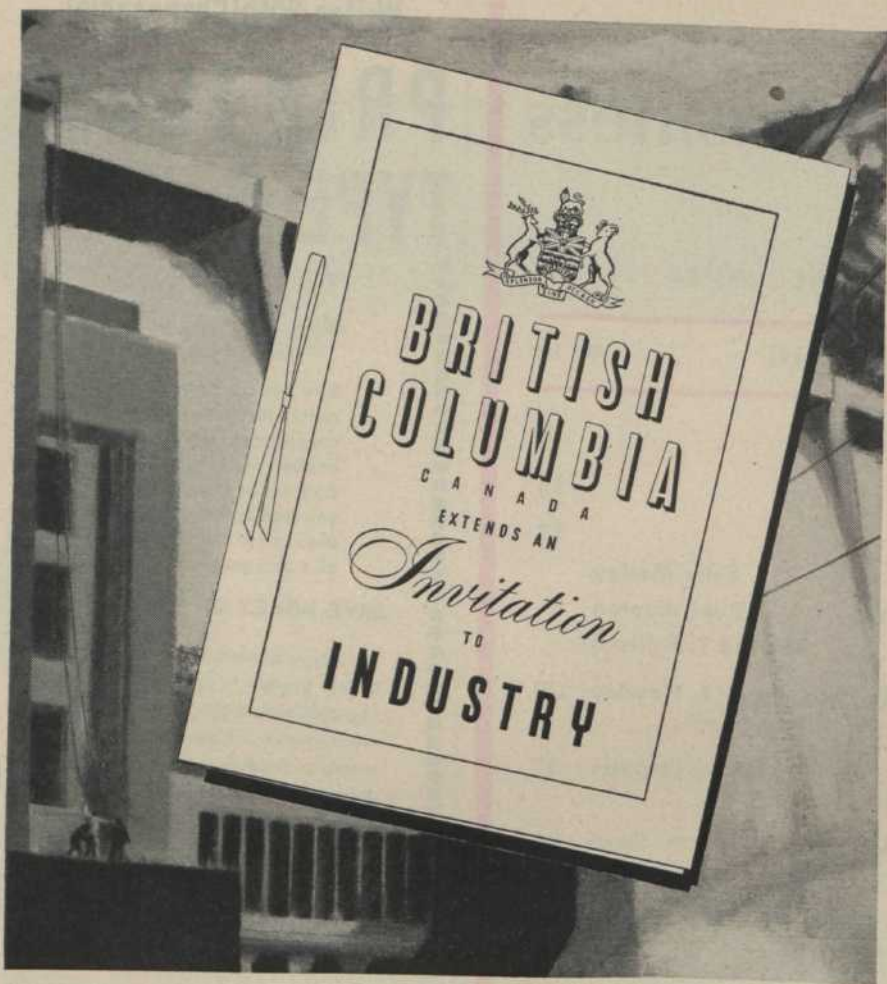
Reading. As a youngster, he liked drawing well enough but didn't begin to take art seriously until his brother sent him to the Pennsylvania Museum School of Industrial Art in Philadelphia. It happened that Hoffmaster's dad was a railroader and the fledgling artist was able to live at home and commute to school, using his dad's pass.

Things went well the first year and Hoffmaster was given a scholarship good for four years more. When he finished in 1934 he went to work in Reading for an engraver and an art studio. Three years later he headed for the nation's capital to embark on a five-year stint of advertising agency work. Shortly after Pearl Harbor, he became an Army man and was assigned to the War College and later to a joint Army-Navy project to prepare recognition material on foreign uniforms and insignias.

Eventually Hoffmaster wound up in an engineer topographic outfit and was sent to Europe and, after the war ended, to the Pacific. In Japan he helped compile a pictorial record of engineer activities there.

Back in the states, he returned to the art studio where he had worked briefly before going into the service. In early 1947 Hoffmaster started free-lancing—and still is.

EDWIN MULLER is a native of Kentucky where his father was a Presbyterian minister. But Muller didn't follow his father's footsteps, he chose a business career instead. After about a dozen years, however, Muller decided to make writ-



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ing his profession. Since then his vocation has taken him to many parts of the world. He was in Germany, for instance, in 1930, '32, '35 and '36, and returned again several times in the past few years. Essentially, Muller is a reporter—but for magazines rather than newspapers, and for the past ten years he has been on the staff of one of the country's most widely read periodicals.

WHEN EDITH STERN was a small child she became perturbed because poor kids didn't seem to receive many presents. Though that was some time ago, Mrs. Stern still takes great interest in social welfare problems. In fact, she began writing about them in 1938, after 16 years of editorial work and lecturing on books.

But Mrs. Stern is glad when a change of pace assignment comes her way—such as the Christmas ornament one on page 34. "It really gave me a lift to do a gay article," she says. "In fact, I've never had more fun doing a story; going around from place to place, the showrooms with glittering things, the color and shininess. It was having Christmas ahead of time."

The assignment started Mrs. Stern wondering whether anyone collects Christmas tree ornaments, like one collects old toys? After some speculation, she decided the answer was "No" because there is no point in collecting something that has gone unchanged for a hundred or more years.

AS FAR AS we know there is no joker in this cover painting by GLEN FLEISCHMANN. It's a scene



that will be repeated the country over come Christmas Eve with only minor variations. But Fleischmann's September cover. That's a different story.

When he painted a picture of a Labor Day lineup of cars headed for a Chesapeake Bay ferry, he included a white refrigerator truck with "Gade Bros, Ashland, Nebraska," lettered across the body in red. It turns out that our artist is a brother-in-law of one of the Gades. The boys live in Ashland, all right, but they don't own a trucking line.

Fleischmann just wanted to make them feel good—the same sort of feeling he has tried to inject into his Christmas cover.

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IS THE FACT that your dollar volume has increased faster than you can build up working capital a "headache" now? Will the problem become more severe in meeting higher payroll and material costs, heavier taxes? Are you going to be called on to speed up and expand production to meet Government requirements?

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Guessing game

IN THE next few weeks, business forecasters will be giving an extra yank or two to their thinking caps. The year 1951, with its "guns and butter" setup makes that old crystal ball cloudier than ever.

How much for the citizenry and how much for the military? Will we cut down too fast on peacetime operations for armament to take up the slack? How will the inflation problem be solved when everyone works at high wages and there is less civilian product to pass around?

These and a host of other questions will plague the prophets. Even under ordinary circumstances, Frank H. Knight, professor of economics at the University of Chicago, doesn't place much stock in economic forecasting. He said before a discussion group:

"As for predictions, I just haven't any faith in them at all. You may hit it or miss it. I don't believe there is any scientific data on which the Council of Economic Advisers, or economists, or anybody can be very certain about these things. I am bothered by the impossibility of predicting a situation in which the essential fact is that everybody is guessing at what everybody else is going to do."

Corn cob taunts chopsticks

ON THE international front, and particularly in the Far East, we strive to follow the precepts of "How to Win Friends and Influence People." But we don't strive too well, as Eric Johnston, president of the Motion Picture Association of America and past president of the United States Chamber of Commerce, pointed out recently before the Tea Convention.

The gulf between the peoples of our continents remains to be bridged, he explained, and we for-

get our own beginnings when we were called "colonials," a synonym for social crudeness, vulgarity and barbarism.

"But the more we were disdained by Europeans, the more we were determined to paddle our own cultural canoe—and we did it." Johnston declared.

"The people of Asia resent it furiously," he added, "when we judge them by the cut of their clothes and the set of their tables. And that is what we have been doing. To bring the syllogism down to date the leather leggings are mocking at the silken robes; the corn cob is taunting the chopsticks."

"We must ditch the shabby habit of trying to remake the Asian people—or any other people—in our image. Until we do, we haven't the slightest chance of building anything but a shaky bridge of brotherhood across the ocean—the forlornest kind of partnership."

Robot retailing

AS EPITOMIZED by the supermarket, robot retailing has made great strides in recent years. No doubt it will make more in the light of severe personnel shortages and rising wage costs.

Nevertheless, automatic merchandising is still subject to the factor of human relations in the opinion of Louis B. Lundborg, vice president of the Bank of America and formerly vice president of Stanford University. In spite of the diminished importance of salespeople, he contends we will never eliminate the importance of the human factor either as it operates internally through personnel and customer relations, or externally through community relations or other public relations channels.

What gives point to this comment, it may be noted, is that it comes from an officer in the world's

largest bank which operates chain-store fashion with some 500 branches in the Far West. It might be called robot banking. Instead, folk there call it "banking with a heart."

Foreign trade figures

FOREIGN trade figures are not quite what they seem since the war. Into the export column go ECA shipments financed by the Government and more recently our defense-assistance cargoes.

Nevertheless, there was acclaim for the import surplus which appeared in August for the first time in 13 years. The value of incoming goods that month—\$819,400,000—was the highest on record.

The phenomenon of an import balance would have appeared in the second half of last year had the figures crossed off our government-financed exports. The quarterly averages indicated that, ex-ECA, we were buying more than we sold.

This has resulted in closing that "dollar gap" which last year led to the revaluation of foreign currencies. The dollar crisis then brought still tighter exchange and trade restrictions. So less was bought from Uncle Sam.

ECA results, meanwhile, meant the rehabilitation of production facilities abroad so that the exchange of goods among Marshall Plan countries was assisted. They had less need to use precious dollars for their needs here. The upward bound in Great Britain's reserves of dollars and gold was an astonishing reversal of conditions a year ago.

Where we are concerned, the export surplus for eight months (foreign aid included) amounted to \$1,086,700,000, as against \$4,156,700,000 in the same period last year.

Many pages each

ONCE upon a time, so the story goes, there was a government department backed to the middle of its floor by files filled with old and useless papers.

It prayed for help against the assault of the on-marching Iron Brigade. And, finally, its supplications were answered. A directive came down from on high. Authority was granted to destroy the useless papers—provided copies were retained!

Well, wait long enough and even an absurd story comes true. A House subcommittee on government operations, headed by Porter



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Hardy, Democrat of Virginia, reported recently that his group was "astounded" to discover a military installation where 37,000,000 pieces of paper were used to execute 10,000 contracts.

This figures out at 3,700 pages per contract — and maybe one called for a package of paper clips.

New for old plants

FROM the way defense authorities have cracked down on building for civilian purposes, it would appear that the materials and manpower in this field are counted most essential in the rearmament effort. Home building, for instance, will be reduced by one-third and amusement facilities of one kind and another just crossed off.

The resultant savings may mean more industrial plants. In fact, the new amortization provisions in the Revenue Code are regarded as offering real incentive toward this end in view of the jump in corporate and personal taxes. There are forecasts that in another few years the economy may be able to handle a defense program of \$40,000,000,000 and still provide amply for civilian requirements.

Another angle to the matter is the scheme of modernizing old plants through application of new materials-handling ideas. According to the Conveyor Equipment Manufacturers Association, one out of every three dollars of manufacturing costs represent the cost of handling materials.

Leo J. Pantas, works manager of the Salem Division of the Yale & Towne Manufacturing Company, maintains that it is not the age of the building but the technological methods employed that really determines the modernity of any plant.

"No old plant is absolutely hopeless," he told a group of engineers. "Certainly a plant, old or new, may lack flexibility, and may not please the eye in appearance. But it is not its brick and mortar shell that governs the unit cost of its products, it's how you fabricate them, how you assemble them, and how you handle them."

Owning stocks

USING A NEW basic theme, the New York Stock Exchange has boosted its advertising aimed at popularizing common stock ownership and the use of its trading facilities. By the end of this year the advertising outlay will reach \$425,000. To Sept. 30 the expenditure was only \$286,000, or about \$155,000

less than for the nine months of 1949.

A survey by the Wage Earner Forum, directed by Everett R. Smith, reveals there is a big potential for the Stock Exchange if its messages register. Thus, wage earner families have some \$36,-600,000,000 in spending power over and above the cost of necessities. Yet only 11.3 per cent own stock. One third of the wage earners queried expressed the belief that it was safer to put money in the bank, and many added that the earning rate was higher on savings.

Insurance has done a far better selling job. Nine out of every 20 wage earners, the survey revealed, have life insurance. One in ten plan to take out more, of which half will be straight life and nearly one-third retirement insurance.

Point four flaw

COUNTRIES are much like some individuals. If help is promised, they are inclined to wait and do less helping of themselves.

Dr. Haldon A. Leedy, director of the Armour Research Foundation of the Illinois Institute of Technology, believes this is a point of weakness in President Truman's Point 4 program where some Latin-American nations are concerned. Over the year Dr. Leedy visited many of these countries and found that, although technical help was needed, the chief necessity was some self-starting industrial research.

As a starter, the "technological audit" comes first. These are studies covering the country's state of development, natural resources both agricultural and mineral, its agricultural methods, industries, fiscal policies and other factors. The Armour Foundation has carried out such audits for Argentina, Mexico, and El Salvador, and is currently assisting on a program in Cuba.

In Latin America, Dr. Leedy explains, only one-twentieth as much mechanical energy per person is consumed as in the United States. That points up the need for technology.

Wool in eclipse

IS WOOL going the way of silk? There are experts in the textile industry who lean to that theory, especially now that wool seems bent on pricing itself out of its market.

The history of the past 25 years in the principal textile fibers is one of marked changes brought about



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Santa Fe—all the way



by the rise of synthetics or man-made fibers. In 1925 cotton took 87 per cent of the market, wool ten per cent, silk two per cent and synthetics one per cent. Today these percentages are: cotton 70, wool nine, silk less than one and synthetics 20.

The wool shortage and soaring prices are forcing the use of synthetic fibers in lines they have never entered before. Thus, the resiliency of wool appeared to bar any substitute in the manufacture of good rugs. The biggest makers are now using blends. In the apparel field, rayon and nylon are newcomers no longer.

Whether the trend can be reversed is doubtful, in the opinion of industry observers. Technical improvements in the synthetics are constantly shaping them more closely to ideal requirements. Prices are stable and do not fluctuate with the whims of growing conditions.

A slim hope is seen for wool in the enlarged supply which might result from the hormone experiments in the breeding of sheep. Two lambings a year instead of one have been made possible.

Program of precision

UP BOSTON way the Conference on Distribution has attracted national and international attention for the excellence of its annual programs over the past 22 years. The subjects are timely and of wide business interest. The speakers are eminent in their fields.

But those who attend are impressed by an added feature—the precision in timing throughout the sessions. At the last meeting, Stanley F. Teele, associate dean of the Harvard Business School, was chairman of a six-man panel discussion. Toward its close he announced, "May I inform you that my timetable reads 11:37 a.m. and it is 11:37 to the second."

The credit goes to Daniel Bloomfield, director of the conference and manager of the Retail Trade Board of the Boston Chamber of Commerce, one of the sponsors.

Bloomfield lists the troubles of conventions in this order: Seeing that visitors are not "frozen" out of their rooms, that the speakers show up, that the audience gathers on time, and that speakers do not talk beyond their allotted time.

And when Bloomfield says 20 minutes for an address, he specifies the number of pages required for the script to keep within the time limit.

MANAGEMENT'S *Washington* LETTER

► **TERRIFIC PRODUCTION**—and some terrific squeezes—are on the way.

Booming prosperity. That's outlook over-all. But not necessarily for you.

You have job of fitting your business into a radically changing economy.

The carpenter put out of a job by credit control will have his own little depression until he fits in somewhere else. Or into some other kind of work.

You can multiply him by many thousands. And his losses, too. Perhaps you can apply the example to your own business.

► **PUT BRIEFLY**, here's Washington's job as Administration sees it—

To divert to military purposes a big slice of the output and materials of an already fully occupied economy.

And at the same time to prevent runaway inflation.

It's a complex job. It means depriving people of things they have been getting, things they will want to continue to buy.

And it means depriving other people of the right—and the job—of providing those things.

That's where the squeeze comes—in the diversion of materials and productive effort.

Orders, limitations, allocations are not a cure. They are simply devices used to accomplish the diversion.

"You can't squeeze as much as we must out of an economy without squeezing some of the people in that economy." That's how one top-level official puts it.

"There's no use sugar-coating—some people are going to be squeezed. We're not doing the job if they're not."

► **SECOND STEP** in government program—inflation control—requires extremely delicate balancing of forces.

Administration is trying to siphon off effective demand for goods in the exact proportion that war production will create it.

That's purpose of credit controls, tax policies.

If this attempt overruns its mark result will be deflation, unemployment, business failures.

If it falls short inflation will take over.

If it hits the mark Government will have achieved perfection.

And you can't afford to rest on that chance. Be ready to move either way.

► **ANYTHING CAN** happen.

Administration is turning a lot of valves. They control the flows of the entire economy—the most intricate, interdependent machinery in the world.

The administrators have read the instruction book, but no one has ever had experience on the job they're attempting.

► **THERE'S EXCELLENT** chance that controls, allocations will be softened after first, tough applications.

There's nothing Government likes better than to be generous.

It's wise politically. One way to be generous in times like these is to be tough—then back off to a more lenient position.

You can expect that kind of generosity in controls program.

In that kind of a setup your howls will be heard. So if you are hurt—and don't think it's justified, howl, brother, howl.

► **WHO CAN PULL** the plug on U. S. prosperity?

Joe Stalin—with a peace plan, phony or real, if he can sell it.

Uncle Sam—by suddenly chopping off the stockpile program.

Watch that program. It's a key to today's economy. It's making critical materials critically short. It's creating inflation by adding demand, driving prices upward.

And it could send prices tumbling into frantic fractions by dumping raw materials back onto the market—or even by suddenly withdrawing from the market.

Take rubber—

Last February natural rubber delivered in New York sold for 19 cents a pound. Last month prices had skyrocketed to nearly four times that figure.

Sam's stockpilers recently have been in the market buying all they could get.

They got so much, ordered so much more, that within 30 days there will be enough rubber (plus synthetic capacity) within U. S. to supply five years of war

MANAGEMENT'S *Washington* LETTER

under World War II restrictions and practices.

Five years of war—with thousands of tons left over.

Sudden withdrawal of government stockpilers from the market, when their mark is reached, would collapse rubber prices, bring ruin to tire makers and dealers.

Now take steel—

Roy C. McKenna, board chairman of Vanadium Alloys Steel, points out that stockpile of tungsten actually grew by 550 per cent during World War II.

And while it grew, government officials dished out allocations on short-term basis, making efficient scheduling of defense production impossible.

Protesting manufacturers currently find little sympathy in government offices.

Said a Munitions Board spokesman:

"We believe we have a mandate to fill the stockpiles. That's just what we're going to do. We're used to protests."

Congress may soften the mandate.

Here's the latest A to Z list of strategic materials being stockpiled:

Agar, aluminum, antimony, asbestos (amosite, chrysotile and crocidolite), bauxite (metal and abrasive grades), beryl, bismuth.

Cadmium, castor oil, celestite, chromite (chemical, metallurgical and refractory grades), cobalt, coconut oil, columbite.

Copper, cordage fibers (manila and sisal), corundum, industrial diamonds, emetine, graphite (amorphous lump, crucible grade, lubricant and packing grade), Hyoscine, iodine, jewel bearings.

Kyanite, lead, manganese ore (battery, chemical and metallurgical grades), mercury, mica (muscovite block, good stained and better, muscovite film and splittings, and phlogopite splittings), monazite, nickel, opium, palm oil, platinum group metals (iridium and platinum), pyrethrum, quartz crystals, quebracho, quinidine, quinine, crude rubber, shellac, sperm oil, talc (steatite and block), tantalite, tin, tungsten, vanadium, zinc.

If you make, distribute or use products requiring these materials, look for rising prices, shortages.

In a second list are materials which the Government may not buy, but must acquire through transfer of government-owned surpluses. These are:

Natural cryolite, diamond dies, fluor-spar (acid and metallurgical grades), mica (muscovite block, stained and lower, and phlogopite block), molybdenum, pepper, platinum group metals (osmium, palladium, rhodium, ruthenium), rutile, selenium, talc (steatite, ground), and zirconium ores (baddeleyite and zircon).

Stockpiling lagged during '47, '48. Policy was to avoid interfering with reconversion.

But last session Congress backed up its go-ahead with \$1,100,000,000.

► **LOOK OUT FOR** sleepers in forthcoming limitation orders.

First order limiting construction prohibited a list of recreational buildings, affected less than 3 per cent of normal construction volume.

But same order had another provision that could have ruined some builders.

That section established policy that succeeding orders would apply to buildings in progress, as well as prohibit or limit future plans.

In other words half-finished buildings would be stopped cold.

That was no error. It disclosed desire of someone "down below" in National Production Authority to hold club over construction industry. It was tougher than anything applied to the industry during World War II.

Sharp protest brought elimination of that section on order of NPA's top man, W. H. Harrison.

Incident is tip-off on how tough some in Government would get—if they could.

► **WATCH FOR** OBLIQUE results of economic adjustments—they may be opposite of your expectations.

For example: Many department stores experienced boom—not bust—when credit restrictions hit television sales.

"Our business just exactly doubled after the restriction went into effect—and its requirements were the same as our policy had been before," reports one store executive.

► **DOESN'T ALWAYS** PAY to offer a "complete" line.

Another store last year displayed half a dozen lines of television, kept getting stuck with model changes, switches in public preference, in one line after another.

This year store tossed out all but one. It's doing larger volume, making

fewer price tag slashes. "We might even make money on television sales this year," said a store official.

► **GOVERNMENT STATISTICIANS** see gloom replacing boom in construction industry.

Regulation X will cut total construction by nearly \$5,000,000,000 next year compared with '50.

That's according to unofficial figures compiled by government experts. Figures are so gloomy they may not be made public.

Another reason: They do not confirm Administration's contention that industrial expansion, public building, will make up for Regulation X cut in private building.

Here's how they see next year:

Residential building, slashed from \$11,275,000,000 to \$5,600,000,000.

Industrial up slightly from \$1,065,000,000 to \$1,250,000,000.

Commercial, off slightly to \$1,250,000,000.

Public, up from \$6,880,000,000 to \$7,560,000,000.

It all adds up to drop in construction industry from \$27,370,000,000 level this year to \$22,580,000,000 next.

Unless Regulation X, on which these figures are based, is softened one out of five building trades workers will have to find employment elsewhere.

And many of the others will have to move to war industry centers to stay in construction work.

Note: There's that oblique effect again—on appliances, furniture, rugs, dishes, bedding, heating equipment, fixtures—what's your line?

► **KOREA HAS SLOWED**, not boomed, U. S. military expenditures—so far.

That's why you haven't yet begun to feel impact of defense outlay.

Military expenditures since July 1—with war in process—actually have been running below those of a year ago.

First months of Korean war were fought with equipment, supplies, already on hand.

Lessons learned on the battlefields caused U. S. military chiefs to check, not expand, orders for equipment.

Tougher warfare than they'd expected brought revision of their ideas.

They found U. S. needs heavier tanks, more penetrating antitank weapons. In general they found their striking power and defense were geared to World War II, not World War III.

So they changed specifications, and that has taken time.

You'll feel results of war orders next

MANAGEMENT'S *Washington* LETTER

year. They'll reach a peak early in the second quarter.

► **BEER'S GOING** into the U. S. statistical market basket.

Fresh spinach is out. Television's going in.

These are among the quick changes being made to bring up to date the Bureau of Labor Statistics consumers' price index.

More, broader changes will be made by mid-1952 when a three-year study of consumers' buying habits (made in 91 cities) will be completed.

Results of the survey will be used for a comprehensive rejiggering of the statistical basis of the consumers' price index.

You can expect a sharp rise in the index at that time.

Rise will have immediate reaction in hundreds of manufacturing, processing plants where labor contracts tie wage rates to the index. Example: General Motors. But the rise will not be as great as a quick look would indicate.

BLS surveyors have learned that the 100-year-old Engel's law still is in force. Engel discovered that as family income rises expenditures for necessities drop, percentage-wise, while expenditures for luxuries shoot up.

► **YOU'LL HEAR TALK** of 45-hour work week to solve labor shortage.

But don't expect to see it used. Reason: Labor is short, but raw materials are much shorter.

► **BRIEFS:** Forced savings through required investment in savings bonds is being discussed in official Washington. . . . Need paper in your business? Better get cozy with your supplier. Government wants so much paper that makers worry about supplying their regular customers. May go to allocations. . . . Present restrictions on auto credit were announced once before—and were hailed far and wide as a blessing. That was in 1946, when restrictions were softened to present level. . . . U. S. whisky stocks total nearly 550,000,000 gallons, highest ever. Means no shortage despite alcohol requirements of synthetic rubber plants.



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TRENDS



OF NATION'S BUSINESS

The State of the Nation

THE AVERAGE American, preoccupied with the problems of his job, his family and his community, has little time or taste for the seeming mysteries of foreign policy.

This indifference as to our relations with other governments was reasonable, perhaps even desirable, during the era of isolation. But it is quite otherwise now that our overseas commitments are global in character, affecting every home and every household budget.

In the year now closing, an undeclared war has cost many American casualties, without bringing advance toward world peace. Despite the initial victory in Korea we are told that the entire economy must be geared to the expectation of a far greater conflict. Obviously, it is time for the citizen to concern himself with foreign policy, or else confess that our system of self-government breaks down in matters that affect us most.

This broader interest, moreover, should be a critical interest. Nobody would accept as gospel truth whatever is said by the party in office on domestic problems. It is even less rational to abandon the function of constructive criticism in matters of foreign policy, where it is easier to conceal the evidence of mistakes. The strict accountability of the official to the electorate is the key-



Felix Morley

stone of our democracy. The Department of State gets no exemption from that accountability.

With the increasing popular criticism that is natural, this Department has been showing laudable anxiety to promote better understanding of its activities. Under the title of "Our Foreign Policy" it recently published a 100-page booklet which purports to define this elusive subject. There is a foreword by President Truman addressed "To My Fellow Americans,"

saying it is "useful to sum up and set down as simply and clearly as possible what we are after in our relations with other governments."

Unfortunately, this State Department booklet does not do what the foreword promises. It tells us, quite correctly, that: "There is no longer any real distinction between domestic and foreign affairs." It says, also correctly, that the Constitution gives the Congress as well as the President much authority in the field of foreign policy. It discloses that "at the last count" 43 separate agencies of the federal Government were dealing with foreign countries, and that in Washington "some 33 joint committees with 142 subcommittees study and advise on foreign policy matters."

Such statistics of bureaucratic intricacies are important for the taxpayers, who foot the bills. But somewhere in the shuffle of agencies, joint committees and subcommittees, the definition of



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"what we are after" gets lost. In its place the reader comes across a section entitled, "The Ordeal of the Chinese People," which seems designed to defend, rather than to explain, the debacle of our foreign policy in China. It is put very simply in this State Department publication: "The Nationalist Government disintegrated, its armies melted away, Chinese Communists took possession of the vacuum."

That bit of special pleading, put out by the Administration shortly before the election, is easy enough to understand. But it is demonstrably false, on every count.

The Nationalist Chinese Government did not disintegrate, but withdrew in good order to the great island of Formosa. When the Department of State published this canard it was still recognizing Dr. Wellington Koo, the Nationalist ambassador in Washington, as the legal representative of all China. And Nationalist China, with our diplomatic support, held one of the five permanent seats on the Security Council of the United Nations. How could this be, if the Nationalist Government had "disintegrated?"

Furthermore the armies of Nationalist China did not "melt away" under the attack of the Chinese Reds. The shocking fact is that, during the critical period of the Chinese civil war, from July 29, 1946, to May 26, 1947, the Department of State itself exercised an embargo on the shipment of all military supplies from the United States to China. During this period the Communist armies were steadily built up under Russian direction, as the State Department now belatedly admits.

The Chinese Nationalists were beaten by the Reds primarily because the latter had by far the better equipment, just as the South Koreans would have been beaten by the North Koreans if the United States had not thrown all its strength into the scales. Except for this intervention it could have been said, to paraphrase the State Department, that: "The South Korean Government disintegrated, its armies melted away; Korean Communists took possession of the vacuum."

The obvious animus of the State Department toward Nationalist China is the more disturbing because the record shows that we went to war with Japan, at least in part, to prevent that very Government from being destroyed by the Japanese warlords. Secretary Hull's final prewar memorandum to Tokyo, dated Nov. 26, 1941, included a "proposed basis for agreement between

the United States and Japan." And the fourth point of this proposal, which can be read in the Department of State *Bulletin* of Dec. 13, 1941, demanded that:

"The Government of the United States and the Government of Japan will not support—militarily, politically, economically—any government or regime in China other than the National Government of the Republic of China with capital temporarily at Chungking."

The Japanese reply to our insistence that they deal only with the Chiang Kai-shek regime in China was twofold: a note saying curtly that Japan would not be coerced by us into supporting the Nationalists—and, simultaneously, the attack on Pearl Harbor.

The record of our relations with China, during the past decade, shows that the Administration has boxed the compass in regard to the Nationalist regime there.

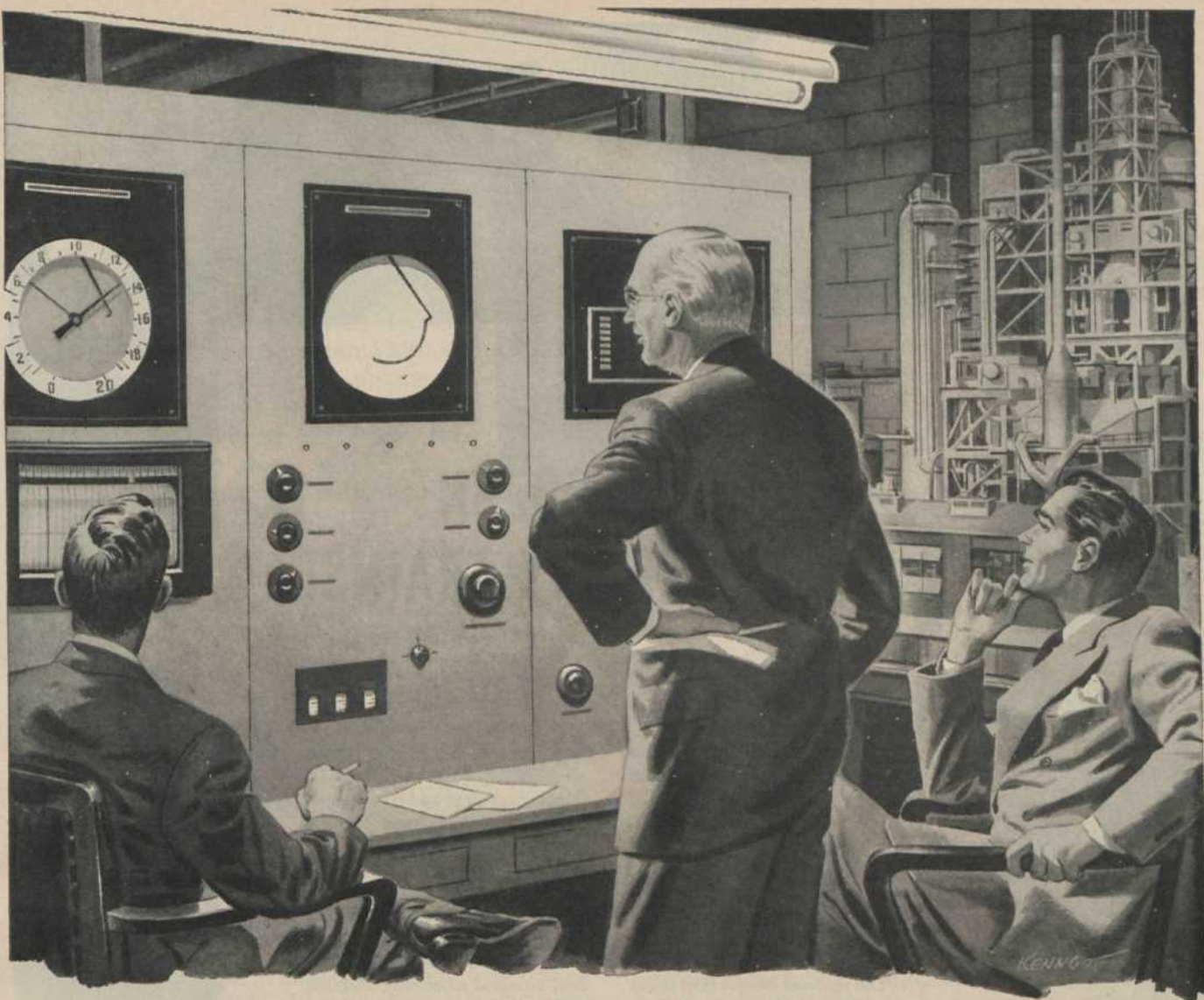
At first we supported that regime to the extent of fighting Japan, where the same harsh charges were made against Chiang Kai-shek in 1940 that are made here today. Then, at Yalta, we betrayed Chiang Kai-shek by promising concessions in China to Soviet Russia without Chinese knowledge. Next we tried to force Chiang to admit Communist leaders into his government, and when he refused we condemned him for not solving difficulties which were certainly increased by our own equivocal attitude. Now we have reached the stage where diplomatic recognition of the Chinese Communists will be urged as inevitable.

The full story of our devious Chinese policy has been much more widely publicized in Asia than in this country. The story is not pretty and it is natural that the Department of State, which is responsible, should seek to conceal the whole truth from the American people. It is, therefore, the greater tribute to the average American that, in spite of preoccupations, he has recognized clearly that there is something radically wrong here, and that "bipartisanship" in foreign policy has served, not to correct, but only to conceal this wrong.

But, while the lesson has been costly, it is not without value. We have learned that foreign policy is not an occult mystery. Relations between governments, like those between individuals, are primarily a matter of conduct. If that conduct is honorable, the relations are good; if devious, the outcome is bad.

The Department of State is wholly justified in saying that: "There is no longer any real distinction between domestic and foreign affairs." The new Congress, it may be hoped, will act on that truism—by being sharply critical of questionable policies in foreign as well as in domestic matters.

—FELIX MORLEY



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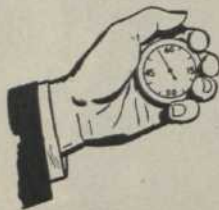
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The Month's Business Highlights

IF THERE were no obstacles to realization, the promise held forth by its first year would give this decade its name: the Fabulous Fifties. In the face of a cold war that became almost searing, the country has prospered incredibly, in many fields breaking all-time records. Now, at year's end, the best authorities seem agreed upon propitious forecast, but with definite—and serious—qualifications.

The record of the year 1950, while heartening as statistics, is its own best amber light for 1951 and the years to follow.

The word "fabulous" is not too extreme for 1950, in the face of the figures. All-time records were set in total output of goods and services, employment, payment of wages and salaries, per capita buying and other components of our way of life. The living standard reflected the tremendous increases in rates of pay. Home building rose to an impressive 149,100 units started per month. The total of deposits and currency held by business and individuals was at a startling \$175,000,000,000. Loans and investments by commercial banks were triple what they had been in 1940. The non-farm mortgage debt was double that of V-J day. Velocity of deposit turnover was significantly more rapid than it had been.

Regarded solely as a trend, without cognizance of the inner and outer influences which loom so importantly, it could be freely predicted that America had embarked upon a decade calculated to bring human happiness more completely within the reach of more people. Even with the influences in their proper place—as cold clinical facts which may not be forgotten for a moment—the prospects remain good. But when the balance is struck, indications as of now are that the good side is equalled by the bad. In short, the Fifties *can* be fabulous, but only if government and business alike guard against the temptation to rush pell-mell down dangerous streets.

The great imponderables, of course, are Soviet Russia and inflation. It would be hard to say which is more important to the economy, because they are at this time inextricably linked. Because of the cold war and its hot phase in Korea, the period is one of intense activity. Slumps do not come in such periods, but rather result from a let-down. The immediacy of a recession, under



Paul Wooton

present conditions, is therefore held to be the remotest possibility. The pressure to reduce armament expense, to curb credit and other monetary controls, probably will be successfully resisted. There is a feeling in some quarters that with the resolution of the Korean war the minimum defense program of July might now be curtailed. But this is a minority view. The majority knows that Stalin may be expected to take further steps to prevent any appreciable cut-back in defense spending. He has been consistent in this since 1945, and there is surely no slightest indication that the Kremlin has altered its master blueprint. Whatever form the new threat may take, it will have one positive effect: to keep plant preparation and actual arms production at high levels.

And here is one of the paradoxes which are common to the decade's first year. That the threat will come is a disturbing fact with which we must live. But there is every reason to suppose that the threat itself will bring good. Had there been no Stalinist program for the domination of the world, there would never have been an international bank, a monetary fund, a British loan, a Marshall Plan, or an Atlantic pact. If this year has done nothing else, it has taught us through Korea that we cannot appease Stalin. We must talk to him in the terms he best understands, with the great humming of defense plants as background music.

On the regrettable side is the interference, because of Russia's utter refusal to be reasonable and cooperative after the end of World War II, with what could have been a time of unprecedented prosperity, not alone for the United States but for every country on the globe. It was Stalin's choice to turn his back upon the role open to him, that of a humanitarian, and instead to emulate the outlaw Hitler. This lust for world dictatorship has denied to a great share of the world's peoples the right to human happiness that should be inalienable. When the North Koreans began their march the dollar gap was narrowing encouragingly. But





OF NATION'S BUSINESS

now we have been driven backward. We must divert resources from civilian uses to munitions. Again the gap must broaden.

And because of that we are faced with another drab part of the picture. Government spending is picking up volume rapidly. Further increases in income are a certainty. Greater buying power will make itself felt against the harsh truth that there will be relatively little increase—if not, in fact, a decrease—in the supply of available goods. These shortages make a slump an improbability. Individual businesses may be slowed down but the over-all trend will be upward. Already some essential materials, notably copper, lead and steel, are in short supply. Recruitment of skilled workers has gone on at such a pace that the shortage there is being felt, already reflecting itself in an increase in number of hours worked.

Thus, if there is a business signpost in December, it must point to 1951 with dual arrows. One indicates an increase in spending, government and other, diminishing the likelihood of recession. The other points to further inflation, unquestionably danger No. 1.

The need to stop, look and listen is indicated by the fact that prices of 28 basic commodities, as well as wholesale prices, exceed the peak set in 1948. Consumers, paying more for goods than at any time since the war, are still buying at a rate 20 per cent over last year. Wholesale buying of building materials is two and a half times that of the prewar period. Textile and chemical prices are up. Even though half the automobiles sold were for cash, instalment indebtedness exceeded \$4 billions, with a corresponding skyrocketing of consumer credits.

Most of the impact of the military program is yet to be felt. Military spending has always been slow to get under way. Progress in 1951 probably will be no more rapid than it was in 1940 and 1941. The fiscal year's armament expenditures may not go beyond the \$20,000,000,000 rate before June 30. The military budget for the year ending June 30, 1952, is likely to total \$65,000,000,000, with defense authorities urging that it go to \$75,000,000,000. Despite the slowness with which the military program will move, the rate of spending alone is assuredly a severe strain on the economy. Diminishing manpower is even now acting as a brake on the rate of production. If inflation is to be held short of the ruinous line, much of the armament spending will have to be on a pay-as-you-go basis. There is even talk of compulsory savings. In either case, a decided decline in the

living standard will be one unavoidable result.

While control of inflation is thoroughly understood, its exercise is limited by political lack of courage. The Federal Reserve has shown somewhat more determination than has the Treasury, but there is no assurance it is prepared to accomplish the amount of credit restraint necessary to stop monetary expansion. Had direct controls been slapped on as soon as the Korean crisis appeared, and retained until the slower monetary and fiscal controls had a chance to become operative, the situation might have been better. Time is an element both in the increase of taxes and in establishment of credit controls.

The impact of inflation upon fixed incomes is a not inconsiderable factor. Complaint is widespread that dollars invested in government bonds and other fixed-income securities buy less at time of redemption than at time of purchase. The fixed income group, which includes those on pensions, has felt the roughness of injustice, particularly in the unreasonable share of the military burden they are compelled to shoulder. Here at least is an indication that democracy is not functioning. As long as persons elected to office will not insist upon a balanced budget, the inevitable consequence is depreciation in the dollar's buying power.

The way in which the irreconcilables in this confused picture may be met and somehow brought together is a job for the planners. The economic problem may not be a dilemma right now, but it could well become one in the first months of the new year. The big question marks are those of credit and materials allocation, utilization of manpower in a shrinking pool and protection for those on fixed incomes.

If we can lick those—if we can maintain employment at near saturation while still keeping inflation from running away—we will be in a strong enough position to keep the international discordance from turning into debacle.

While most economic problems have to be settled on a non-partisan basis, election results have been encouraging to business. Court decisions are said to be influenced by election returns. This is much more true of Congress. Not only is the left wing reduced in strength, but those remaining will be inclined to modify their views. The Taft-Hartley Act is more likely to be strengthened than weakened. Proposals with a socialistic flavor will have less chance. Non-military spending is more likely to be reduced. There has been a new demonstration of the truth of Samuel Gompers' observation that "no one votes labor."

—PAUL WOOTON

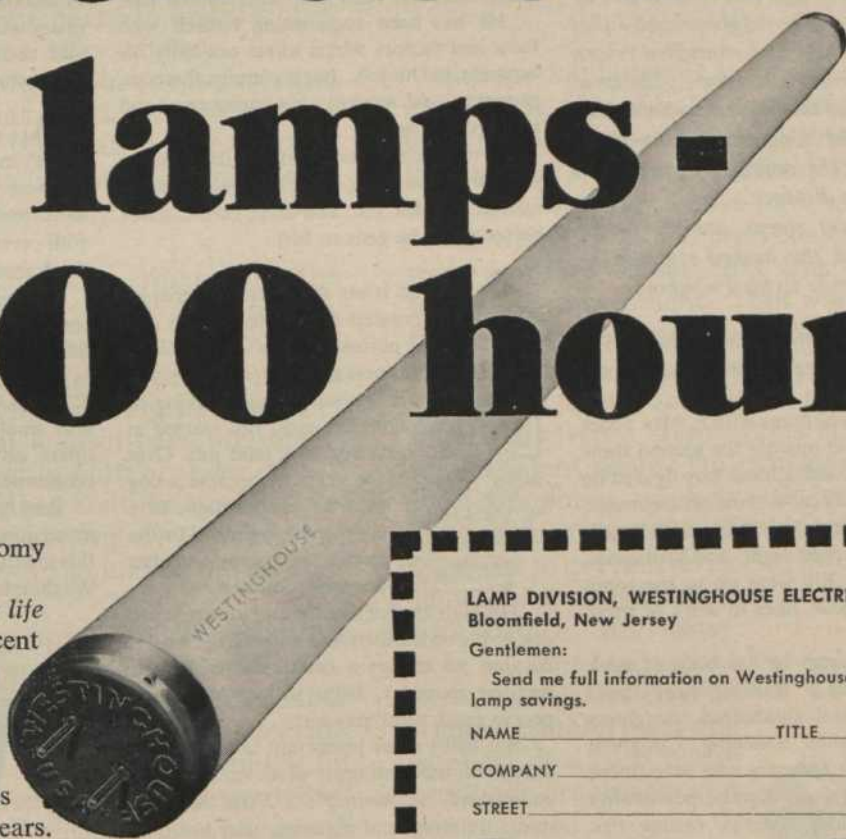
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NB



Lighted window, late at night...

The Bakers' bridge foursome broke up some time ago...The neighborhood Juliet made a triumphant and unmuffled return home in her Romeo's hot rod...The local dogs have let out their last duty barks and subsided...The long drawn, mournful hoo-hooooo of the midnight express has dwindled in the distance...

Locust Street sleeps soundly in the sooty dark and the hushed stillness... except for a single lighted window.

IN THE room with a lighted window, Bill Jones is reading a magazine he brought home from the office.

When he arrived home with it, Mrs. Jones resigned herself to missing the second show at the Bijou. The older Jones boy figured he could get the family car without an argument, and did. The young kids recognized Dad's Not To Be Disturbed night, and kept quiet.

After dinner, Bill went up to the room where he has a desk, likes to work or think something out.

For several hours he has been at work with his magazine... learning more about automatic tools and alcoholism, daughters marrying and deficit financing, Congress, cortisone, Oregon industry and investment trusts, the Soviet food supply, personality traits, public school systems, raising risk capital, railroads, Europe's cartels, employee aptitudes, military schools, U.S. agriculture,

mustaches, the baby crop and Buffalo Bill.

He has been acquainting himself with facts and factors which affect not only his business and his job...but his family, finances, property, and security, his community and local government.

By midnight he has downed a few doubts, secured a new slant on a personal problem, refilled his idea file, and feels better, a lot better when he goes to bed.

BILL JONES is an American stereotype, as taken for granted as our shade trees and Saturday off, permanent waves and pay checks... a business man.



Without family backing or influential friends, Bill started at an ordinary, low paid job. Over the years he became a cog in a big corporation, or a competent specialist, or the owner of some smaller business concern.

His high level of income and influence are due to his own efforts and a break or two... because he makes a contribution to our peculiar economy, helps supply something people need, want, pay for.

But Bill's most important contribution, though his wife and most wives would rarely understand, is *himself*... the reading, study, thinking, and planning after business hours, which equip a man to contribute more.

Because business is not merely a matter

of making money, but of inspiration, ideas imagination...getting people to do things, and to like what they're doing... getting the customers to like what's been done.

ALL OF which serves to explain why Bill Jones' magazine, *your magazine*, Nation's Business, is concerned with more than the mere mechanics of business... concerned with everything that interests or affects the business man.

And also why this magazine is interesting enough to business men that they pay \$15 in advance for three-year subscriptions.

And why Nation's Business reaches more of the business market—more big business and small—than anything in its field... offers advertisers the most effective and economical access to this huge market.

Any Nation's Business office can tell you more about the advertising opportunity in this medium. Or write to Nation's Business, Washington 6, D. C.



Washington Scenes

THE POLITICAL warriors of 1950 have returned to Capitol Hill to finish up the "lame duck" session of the outgoing Eighty-first Congress. For a good many of the Democrats it is a farewell appearance; for Taft and the Republicans it is a prologue to what they hope will be even greater good fortune in 1951-52.

Looking on from a distance, and not saying much, is the fellow who was responsible for the shake-up. He is the American voter, the composite of 40,000,000 or so who went to the polls on Nov. 7.

In the eyes of some dispassionate observers here, this average, hard-headed Yank is the most interesting figure in the world today. He confounds the pollsters, shows up the cynics, and baffles those in other lands who try to understand the American political system. He really is something, and so is his wife.

His outstanding characteristic is horse sense—that, and a deep confidence in himself and his country. He doesn't scare easily, and thinks nothing of switching from one party to another and dumping long-intrenched office holders.

He was told during the autumn (by Democratic orators, who claimed that theirs was the party of peace and prosperity) that the Administration had to have a substantial majority in Congress if it was to get anywhere with its Fair Deal program.

He wasn't much impressed, either with the argument or the unfulfilled part of the program. In a country as finely balanced as the United States, he saw no danger in having the two parties almost evenly matched in the Congress. Instinct seemed to tell him that a razor-edge alignment might bring out the best in both of them.

Feeling thus, he ordained that the Senate line-up should be 49 Democrats and 47 Republicans, and that the House line-up should be proportionately close.

He was disturbed by a number of things in this political off year—the war in Korea, the Reds-in-Government issue, the gang-up of organized labor to "get" Taft, the disclosure of graft and corruption in some big cities, and federal spending on what is vaguely referred to as "nonessentials." Still, he wasn't quite as worked up as he was in 1946, and so he stopped short of voting for a split Government.

That, briefly, is the story of the collective judg-



Edward T. Folliard

ment of the American people as recorded Nov. 7. The next chapter comes when the Eighty-second Congress, with its G.O.P. recruits, convenes Jan. 3. It will be a middle-of-the-road legislature, far more concerned about a strong United States than social reforms. No element of the United States—labor, business or the farmers—will dominate it, which is as it ought to be.

By their votes last month, the American people have in effect put both the Democrats and the Republicans on trial for the next two years, with a directive to work together for a good performance.

The Democrats will have nominal control, which is far different from effective control. Anyway, President Truman will hardly be able to cry out about "a do-nothing, good-for-nothing" Congress as he did before. As for the Republicans, added responsibility has been given them, along with their extra Senate and House seats; and they will be expected to measure up to that responsibility.

• • •

Had the Republicans suffered losses Nov. 7, the Cassandras would have claimed that the G.O.P. was "washed up"—that the United States had at last become a one-party nation. It wouldn't have been true, but they would have said it anyway.

Likewise, if Taft had been beaten in Ohio, many were prepared to say that this country was in for a labor government. That wouldn't have been true, either, because Americans don't want any one element to dominate.

Anyway, Taft won, and the manner of his winning has given a tremendous boost to the Taft-for-President boom. The courageous Ohioan won by a whopping majority. He not only whipped the bosses of the AFL, CIO and other unions who were out to get him as Enemy No. 1, but evidently he was able to raid their own camps. His heavy vote in some industrial centers indicated that he almost certainly got the support of a good many workers, organized and unorganized.

Taft may not have glamour, but he certainly does have an aura. From





OF NATION'S BUSINESS

here out, he's the man the tourists will be most eager to see when they peer down from the Senate galleries. Now more than ever, he seems entitled to his *nom de politics*, "Mr. Republican."

President Truman would have a difficult time holding back if Taft should appear likely to get the Republican presidential nomination in '52. The two men get along fine on a personal basis, but politically they are miles apart. A battle with Taft, therefore, doubtless would appeal to the scrappy Missourian, even at 68.

The widespread opinion that Mr. Truman already has decided to run two years hence is not shared by his White House associates. They will tell you that he really has made no decision; that while he hasn't closed the door, he has occasionally talked about what he might do if he should retire Jan. 20, 1953.

The unsuccessful attempt to assassinate the Chief Executive threw a fright into organization Democrats. It wasn't so much that they were afraid for his life; as he himself was quick to say, he never was really in danger. What worried them was the effect it might have on the First Lady. She keeps out of national affairs, but hers is an influential voice in the Truman household.

Mr. Truman's stock, which has fluctuated violently over the years, appears to be down at the moment. Nevertheless, most Democrats look on him as their best bet in '52. The prospect is, therefore, that he will either run himself or name the Democratic standard bearer.

The Republican picture is much more complicated, and at this stage the indications are that there will be a fierce battle for the nomination when the next convention rolls around. The G.O.P., as Gov. Dewey has said, is "split wide open." Explaining this rift is no easy matter. In a general way, however, it might be said that there are Republicans who go along with the domestic and foreign-policy views of men like Dewey, and others who denounce such views as "Me-tooism."

The "Me, too" expression, as nearly as I can remember it, first came into use in 1940 when Wendell Willkie was the Republican nominee for President. Willkie embraced a good many of the Roosevelt or New Deal policies, but promised to do a better job in carrying them out. Dewey did likewise in 1944 and 1948.

Those Republicans who would purge the party of Me-tooism are to be found all over the country, but they seem to be most numerous in the Middle

West corn belt. It was here, it might be noted, that the G.O.P. made its most striking gains in last month's election.

This wing of the party already had given a demonstration of power by taking over the machinery of the national organization. In January, 1949, bitter over Dewey's 1948 tactics and his "unity" talk, the opponents of Me-tooism made a determined effort to oust Hugh Scott, Dewey's hand-picked chairman of the Republican National Committee. They failed then, but only by a margin of four votes. Later in the year, after Scott had resigned, they put over Guy George Gabrielson as national chairman. This was generally regarded as a victory for the Taft people, although Gabrielson since has observed a policy of strict neutrality.

Gov. Dewey now has stated flatly that he will not run again for the presidency, and has announced that he will back Gen. Dwight D. Eisenhower for the Republican nomination.

If Ike really threw his hat in the ring, he probably could stampede the 1952 convention. There wouldn't be much the Taft people could do about it, assuming that they wanted to do anything about it. What convention delegates want above all is a winner, and the same goes for those who put their money into the party treasury. And certainly Ike looks now as if he might be a winner.

The general, in commenting on Dewey's offer of support, said he was complimented. He didn't try to cut off the new boom with a "No," and consequently a lot of people concluded that he might eventually say "Yes." To put it another way, they concluded that he might "be had." They could be right.

It should be reported, however, that some men who know Ike intimately are convinced that he never will run for the presidency.

If that should be the case, it will again be a case of picking a G.O.P. nominee from among the professionals. Two of these who put themselves in the running by their victories last month, in addition to Taft, were Gov. Earl Warren of California and Gov. James H. Duff of Pennsylvania.

Warren, running for another term at Sacramento, gave a drubbing to Jimmy Roosevelt, while Duff whipped an able and popular Fair Dealer, Francis J. Myers, to win a seat in the Senate.

Duff, who started out as a Teddy Roosevelt man in the old Bull Moose days, ought to make quite a splash in the national political pool, regardless of what happens to him with respect to the presidency. He wants to revitalize the Republican Party, and he thinks that the way to do it is to win over "the average guy"—"the guy in the bleachers."

—EDWARD T. FOLLIARD

A one-man business would just suit
him!



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MORAL: INSURE IN

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The Travelers Insurance Company, The Travelers Indemnity Company, The Travelers Fire Insurance Company, The Charter Oak Fire Insurance Company, Hartford 15, Connecticut. Serving the insurance public in the United States since 1864 and in Canada since 1865.

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HOW BIG IS *RUSSIA'S* *BLUFF?*

By Gen. FRANK L. HOWLEY

IT MAY be oversimplification to describe our boiling cold war with Russia in terms of a poker game, but it is a concise analogy explaining why the world's most powerful nation has been stolen blind at the conference table. The Russians are cagey poker players. They must be; they've won practically every jackpot in the past five years without showing the strength of their hand. They don't bluff all the time, yet every time we've paid the price in blood and dollars to call them, we have been scared into throwing in our hand. After the Berlin victory our wax-mustached boys went to Paris and agreed to "status quo" which in simple language means to let bygones be bygones. Naturally, Korea followed. Again "status quo" appeared at Lake Success. Naturally, trouble with Communist China developed. If we don't make Russia and her stooges pay, World War III will become inevitable.

I don't want to sound egotistical about this, but I've forced the Russians to throw away more worthless hole cards than any American, and I've got the scars to prove it. During the four years I was deputy, then commander, of the American sector in Berlin, I sat in official conferences with the Russians a total of 2,000 hours, and I spent as much time again in informal discussions.

I was alternately sickened and infuriated by the concessions our State Department made to the Russians, who consistently broke agreements and violated every rule of decency in the book. Our policy of appeasement was carried out over my half-dead body, because I had ample opportunity to appraise the Russians' weaknesses at close range and see through their bluffs.

Why has Russia pushed the United States around so outrageously and gotten away with it? Because we've been suckers for the Russians' propaganda, the most effective weapon in their bid for complete economic and



Brig. Gen. Frank L. Howley, who recently returned to civilian life, headed our forces in Berlin



General Howley has had ample chance to appraise Russia's weaknesses at close range

political control of the world. As a military man, I know it is inexcusable, and fatal, to underestimate the enemy. As a target for Russia's shrillest propaganda, I also know it is almost as foolhardy to attribute more strength to the enemy than he actually possesses. The first mistake leads to crushing defeat. The second promotes spineless capitulation which ultimately undermines a nation's will and capacity to make an honorable fight for its principles.

It is painfully clear that Russian propaganda, planted abroad and parroted at home by Communists and fellow travelers, has had a terrific impact on the American public and those charged with formulating our foreign policy. The effectiveness of Russian propaganda is shown in three viewpoints:

1. State Department—Russia is tremendously powerful and we'd better handle her with gloves if we don't want to touch off World War III.

2. Military—The Russian army has such an overpowering superiority in manpower that it may be advisable to fight it now, while our advantage in matériel gives us a better than even chance of winning. Once Russia builds up her war potential, including atomic bombs, we won't have a look-in.

3. Public—Russia has the atomic bomb. Oh my God!

Who says Russia is so powerful that we must

make concession after groveling concession lest we antagonize her? Who says Russia's production will match ours in the immediate or misty future? The experts? Don't make me laugh. I know how those guys work.

After the shooting war, we heard awesome reports of Russia's artillery. Those reports were founded entirely on the basis of a propaganda movie, "The Capture of Berlin," General Tulponov unveiled at a party in Berlin. One scene was supposed to show massed Russian batteries shelling Berlin at night. Any amateur photographer knows that three or four flash pans can be set off and give the illusion of big guns, hub to hub, firing in salvo. Seventeen Allied military observers, who never saw a Russian soldier in action, took the movie at face value and dutifully reported that the Russians achieved devastating concentration with their artillery. A few weeks later a "review" of the movie, having made the round trip between Berlin and Washington, bounced back to me as a solemn fact.

For all I know, Russian artillery may be all that it's cracked up to be. The point is that official "experts" don't know for sure. They were taken in by Russian propaganda. All I know is that the Russian artillery I saw when I led the first American convoy into the Soviet zone of Germany in June,

(Continued on page 72)



The "York Plan" Starts Again

By MILTON LEHMAN

BACK in 1941 this city won fame with a production pool. Today it is repeating

YORK, PA., can take care of itself. A small, self-contained industrial city in the bull's-eye bounded by New York, Philadelphia, Baltimore, Washington, Harrisburg and Pittsburgh, York is immediately surrounded by rich farm land and resourceful farmers, Pennsylvania Dutchmen who believe such homilies of their forebears as: "Them that works hard eats hearty."

Between its farms and its industries, the community is in balance and at peace with itself. No mammoth corporation directs its way of life. Its industries are middling-sized, diversified and, as every Yorker knows, they lead the

world in the production of air-conditioners, wire screen cloth, water turbines, wallpaper, tire chains, baker's machinery, bar bells for weightlifters and artificial teeth.

But for all this self-sufficiency, York's greatest achievement was the discovery that it could help take care of the nation as well as itself. A decade ago, the city became famous for a plan. In 1941, while Washington was calling frantically for all-out production to stock the arsenal of democracy, York tapped the total resources of its machines and manpower. No other community mobilized its resources so quickly and completely.

York's plan was so simple and logical that it scarcely seemed a plan at all.

The plan provided that a York manufacturer who got a defense order too large to handle alone could call on his neighbors to help him out. It brought York a larger share of the defense budget than any industrial city its size (population: 60,000), it turned out an abundant supply of armaments and it caused dozens of planners to make pilgrimages from Washington to York.

The major accomplishment was in clearing the minds of the military procurement officers, who had



*Machines-manpower-all came under Bill Shipley (center)
and his colleagues' scrutiny*



Henry Schmidt headed the "bits and pieces" program



Even a garage was used in subcontract work

been accustomed to dealing only with America's largest manufacturers. York went into action at a time when the production effort had stalled, when the big corporations alone couldn't meet production goals. To fill the gigantic orders from Washington required the resources of smaller manufacturers who could subcontract their orders down to the local machine shops. For this massive problem in decentralization, York had found the answer.

By the end of the war, the plan had been endorsed by all of Washington's alphabetical production agencies, from the National Defense Advisory Commission to the War Production Board. The National Association of Manufacturers urged its members to pay respectful attention to York. Thirty-five Pennsylvania communities studied the plan and tried to practice what it preached. York's pro-

gram was adopted by cities as scattered as Harrisonburg, Va., Decatur, Ill., Elyria, Ohio, Sturgis, Mich., and Kansas City, Mo.

Today, York is trying to determine its role in the new national defense program. But it is also preparing itself for all possibilities and revising its famous plan for immediate use. Working with the Manufacturers' Association a new Industrial Mobilization Committee is surveying the city to determine:

First, how many skilled mechanics are employed, how many more could be found in the ranks of the aged and handicapped, whether "Rosie the Riveter" and her sisters would return to industry if needed.

Second, how many machine tools are available, not merely in the metal trades companies, but also in maintenance shops, garages, and back-alley repair shops throughout the city.

Third, how to prepare the city's industries for possible immediate conversion, how to put the plan

into operation on 48 hours' notice.

While some theorists and planners are wondering whether America is back in the days of 1939, or 1940, or maybe 1941, York realizes that this is 1950, an altogether different year. Unlike 1940, when unemployment provided a vast pool of manpower, the community is now scraping the bottom of its manpower barrel. The local branch of the Pennsylvania Employment Service no longer can supply York's industries with such needed mechanics as punch press and power shear operators, spot and arc welders, pattern-makers, machinists and tool-makers.

In 1940, York's industries were hunting for orders to keep their machines busy.

Today, most industries are operating at capacity. To handle the expected defense orders, manufacturers are advertising for women workers. "We plan to bring back Rosie the Riveter," says Paul Bahr of the York Electric and Machine Company, "as soon as we get our powder rooms in shape."



Many a marine engine rolled off this assembly line during World War II



Every tool and mechanic was rounded up—



labor, behind leaders like Al Eshelman, has played a dominant role

The York plan emerged from the brainstorm of a crotchety Pennsylvania Dutchman named S. Forry Laucks, who owned the York Safe and Lock Co. pany, and the supersalesmanship of civic-spirited William S. Shipley, chairman of the board of the York Ice Machinery Corporation. The two men were almost totally unlike and scarcely could have contained themselves at the same conference.

Laucks was irascible, a lone wolf. A strong New Dealer, he had resigned from the United States Chamber of Commerce and the National Association of Manufacturers to register his disapproval, and had an unhappy tendency to refer to York's Republican manufacturers as "stuffed shirts." His temper was scarcely improved by the depression, which almost wrecked his business. After the bank holiday, when second-hand vaults were plentiful, the sales of

York Safe and Lock did not flourish.

Laucks had known better days. He had sold vaults to America's largest banks, had built a fireproof door for the tomb of Sun Yat-sen in Nanking and the largest vault in the world for the Bank of Japan in Tokyo, which took 90 freight cars to transport from York to the docks in Baltimore. His workmen were among the most skilled in the city and could machine a 100-ton vault door to hang so perfectly that it could be swung with one hand.

In 1938, Laucks toured the almost barren Army arsenals and came home with a \$1,600,000 order for 138 antiaircraft gun mounts. His fellow manufacturers declared that Laucks couldn't possibly handle the job himself and cheerfully predicted he would lose his shirt. But Laucks had another idea. He farmed out parts of his contract to 60 other concerns, most of them in and around York. He subcontracted one part to a plant making floor waxing machines and others to back-alley machine shops. When his subcontractors had trouble handling their job, he dispatched his own mechanics to show them how to do it. York Safe and Lock got the order out profitably and on time and continued to fill armament orders throughout the war. At the end of the conflict, however, the company closed down and shortly thereafter Forry Laucks died.

By 1940, Forry Lauck's brainstorm had impressed the Manufacturers' Association and its members, who wished to do business with the Government. Shipley became head of the new York Defense Committee and set out for

Washington. He came back with blueprints and called his fellow manufacturers together. "I can't handle this job alone," said Shipley. "But if we can swing it together I'll send in a bid as prime contractor."

Leaning over the blueprints, one manufacturer declared: "I can turn out that winch." "That bearing looks down my alley," said another. Although they finally turned down the job as too difficult, they had set a working pattern for five years of successful bidding.

The York plan was now in operation. The defense committee ordered surveys of existing manpower and machine tools and drew up a 15-point program to guide their labors. The program included use of available tool facilities, putting idle tools and idle men to work, making a survey of tools not in the metal trades factories, studying types of work that could be done with the tools and facilities available, making an effort to explain and sell the defense plan to the community.

The program also called for the education of new employees for industry, a study of housing and workers' health, an analysis of subcontractors' costs to insure fairness to both prime and subcontractor, encouragement of prompt deliveries and accuracy of work by subcontractors, an analysis of York's labor potential directed to supplying additional labor where and when needed, and the committee's full participation in local activities dealing directly or indirectly with the emergency.

Throughout the war years, York surveyed, studied and got acquainted with itself. In 180 differ-

(Continued on page 66)



Every means was used to exploit the community plan -



"Rosie the Riveter" was, and is again a vital cog

Santa's Sideline of Lights

By EDITH M. STERN

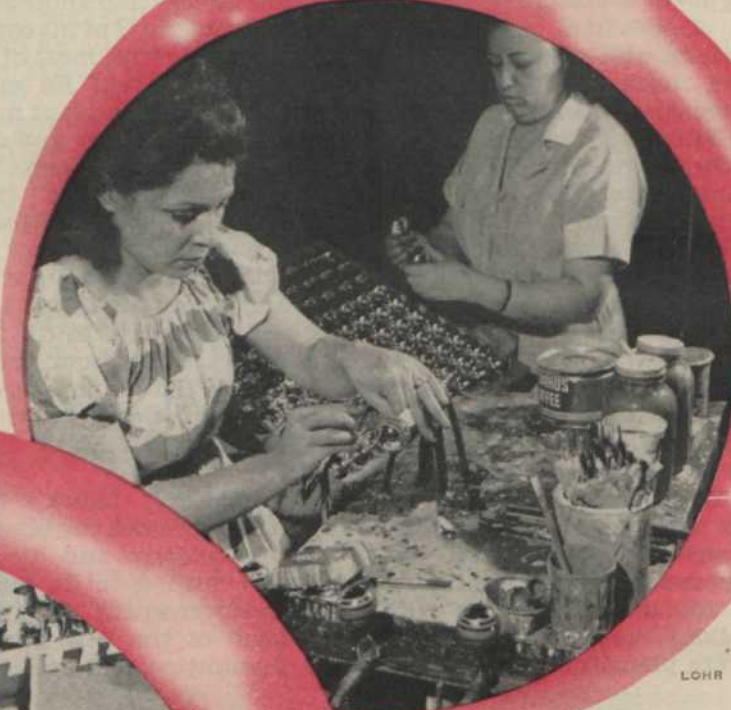
THE PLEASANT sentimental glow we all get from running across a Christmas tree ornament just like one we knew as a child is the key to a \$75,000,000 industry. While other business men strain themselves to market an improved model or something new, those who deal in tree trimmings bend over backwards to reproduce the makings of an old-fashioned Christmas.

Even in a field of such technological development as the electrical, inspiration comes from the past; for instance, one of the newest wrinkles in tree lighting is nothing more or less than a safe version of candles.

The first Christmas tree was

WHEN Martin Luther decorated his first tree he launched a business that will never die

D. S. Jacoby, New York importer, shows a new bauble to a salesclerk



LOHR

Glass balls remain tops with Santa Heim people



R. I. NESMITH

lighted, so legend has it, by Martin Luther in the early part of the sixteenth century. One night, according to the tale, he became so entranced by a starry Christmas sky that he set up a tree for his children illuminated with many candles that would twinkle in his home as the stars twinkled in the sky. Nobody knows who first had the idea of supplanting candles with electric lights, but at any rate by 1902 there had begun to be strings of miniature colored lamps for trimming.

That same year, one of the earliest electrically lighted outdoor trees appeared on the porch of a

and Baubles



home in Niles, Ohio, and many and loud were the neighbors' criticisms. The extravagance, the wastefulness, of a decorated outdoor tree! And imagine lighting it with expensive electricity!

Nevertheless, the safer kind of lighting was on its way to stay, and after 1915, when the General Electric Company first made Christmas tree lamps commercially available, it gradually became the usual thing. Not that it was a complete success. For all its beauty and safety, something was lost and gone with the candles nostalgic parents and grandparents had known—light that moved as well as shone. Manufacturers bestirred themselves to recapture past effects without past perils, and produced blinkers. These did not quite fill the bill, either; not only were they unlike candles, but also women were reluctant to fool with them.

Finally, in 1946, once again there was dancing luminosity on Christmas trees when Noma Lights, after years of experimentation, put on the market a limited quantity of its Bubble-Lites. These consist of an "action" candle-shaped glass tube filled with colored fluid and set in a translucent colored plastic base which houses a low-wattage bulb. As the bulb lights up the base and tube it generates heat that whirls the contents of the tube upward in a continually bubbling spiral.

Bubble-Lites were an immediate success. In 1947, 25,000,000 were made and sold and they have been gobbled up in such huge quantities ever since that thanks to mass production they have come down in retail price from an original \$4.95 to \$2.40 a set. And, though Noma does the world's biggest business in Christmas lights, other companies too are cashing in on similar twentieth century versions of candles.

Dealers in the \$15,000,000 worth of glass ornaments sold annually not only have had to be on their toes to keep up with the past, but to have anything at all to sell! Before World War II, practically no Christmas tree ornaments were

made in this country. A few dribbled in from Czechoslovakia and Poland, but the bulk was made in Germany where the custom of decorating trees had originated. There, in little villages, whole families blew, colored and decorated by hand the glittering baubles whose styles had not altered through the century of this "cottage industry's" existence.

When World War II broke out in 1939, the normal imports of 50,-80,000,000 ornaments a year abruptly were cut off, and a new American industry was born. Today at least four manufacturers produce glass tree ornaments exclusively.

Perhaps the most spectacular is Santa Heim, started 12 years ago by W. J. Thompson, a veteran Woolworth buyer, and Harry H. Heim, who came to tree decorations by way of ladies' dress designing and window trimming. A 150-year-old duck mill and a village of

100 houses were bought in rural Maryland, gayly painted red and white, and named Santa Heim. At first the ornaments were so poor that the infant business lost in one year of experimenting to improve them what it had made the previous two, but today they are indistinguishable from German imports. What's more, even when hand blown, they can compete in price. German blowers average 500 a day, are champions at 800. Workers at Santa Heim turn out 2,000 to 2,500.

The firm produces all kinds of fancy glass gewgaws, made both by hand and by machine, such as violins and golden pine cones partially encrusted with white snow and elaborately indented "reflector type" ornaments. But the best sellers are good old glass balls, of which Heim claims to be the largest manufacturer, with a two inch in diameter ball most popular. There is business in six and seven



CORSON
FROM DEVANEY

inch balls, too, but not many of these are used in homes. At the other extreme of size is the "Tiny Tim" line of miniatures, some tinsel-trimmed, which are in growing demand for Lilliputian-sized table trees. The Tiny Tims have almost, but not quite, met Japanese competition in price.

Some of the Santa Heim ornaments are of new design, among them a Santa in bas-relief. Some are exact copies of traditional German ornaments, and some are mild adaptations; a decoration of tinsel may be added in an interior or the dull silver finish of yesteryear be replaced by a crackled one. But except for some sizable silver stylized birds which are used by window decorators, the contents of the showroom are more like than unlike the tissue-wrapped survivors of traditional Christmases cherished in millions of homes.

Largest competitor of Santa Heim is the old established firm of Max Eckardt & Sons, Inc., which does a \$4,000,000 a year business. Before the war, Eckardt did nothing but import. During the war it began to manufacture balls. Now, with four factories in New York and New Jersey and German ornaments available in quantity for the first time in more than a decade it does both.

The American-made ornaments are produced from Corning glass of basic shapes made on virtually the same machines as light bulbs. They are then silvered on the inside, dipped in color, if decorated sprayed with powdered glass, and capped. Year-by-year changes are not radical but consist mostly of innovations in decorative designs. There are teddy bears and other toys, besides familiar Santas and bells, on some balls this year, or you can have your choice of "Christmas Cheer" or "Merry Christmas" in sprayed-on wording.

Eckardt's imported German line, more expensive than the domestic, is like the stuff of a fairy tale. There are tiny delicate trumpets and bugles that actually blow, red-capped toadstools, shimmering birds and fish, baskets of fruits or flowers, and glamorized household items like coffee pots and lamps. The Japanese imports are more remarkable for their low price than for their fine workmanship and are mainly tiny ornaments and sprays.

The first American importer of tree ornaments was B. Shackman and Company, New York City wholesaler and retailer, who nearly 50 years ago proudly advertised "Unique novelties for Christmas

tree trimmings . . . things you do not see elsewhere." Today, still, Shackman deals almost exclusively in importations and the empty shelves of wartime are full to overflowing.

Thousands of samples are stowed away on several floors of the building because all the varieties, put into the showroom, might confuse buyers with an embarrassment of riches. Catering to the upper brackets, Shackman's has items not carried by the chain stores which do the bulk of ornament retailing.

In ordinary households replacements are substantial. Estimated average breakage of glass ornaments in homes is ten per cent. So with 39,000,000 Christmas trees in the United States, steady sales are assured regardless of any additions to family inventories.

The manufacture of "icicles" (sometimes called silver rain), artificial mica or plastic snow, tinsel and tree hooks is also a solid business thanks to annual repeat buying. B. Wilmsen, Incorporated, of Philadelphia, one maker of these products, was founded 65 years ago by the present president's father and year-round employs some 140 people.

The National Tinsel Manufacturing Company of Manitowac, Wis., 35 years old, does a \$3,500,000 business about \$2,000,000 of which is in tree trimmings.

Anyone who has ever, in a fit of economy, tried to detach and unsnarl icicles "so they can be used next year" knows why, of all trimmings, they are the shortest-lived. About 8,000,000 pounds of lead foil each year become silver rain, drip engagingly over green branches, and are thrown out with trees.

Incidentally, no one who has harbored a secret thought that tinsel doesn't seem to be what it was when he was young, needs to fear

that he's becoming jaunted by age. He's right. Christmas tree trimmings are "pre-priced"; that is, people don't want to pay more for them than they have been in the habit of paying. The attitude is quite in line with the feeling that Christmas should be just as it has always been and in a competitive industry dealers don't attempt to buck it. Nowadays tinsel is definitely skimpy. If it were made as thick as formerly, six yards would cost \$1 instead of a dime.

Some old-time decorations are worse than emaciated; they are not available at all. There are, for example, no more wax angels. The combinations of paper figures and tinsel which used to cost five or ten cents would have to be priced at nearly \$1 and are therefore not duplicated.

Every now and then something really new in Christmas tree trimmings appears, but usually it's not much of a success. Santa Heim, for instance, sells relatively few violet-colored balls; the traditional red, blue, green, silver and gold are still preferred. Eckardt tried and gave up making balls of plastic. Theoretically consumers should have tumbled for their durability, but it didn't make up for the lack of old-fashioned shininess.

There are, of course, some exceptions to the public's rejection of novelties. A wartime angel-in-a-circle treetop, introduced by the National Tinsel Manufacturing Company when the familiar glass spear tree tops were unobtainable has been going well for eight years. "Cluster trees," invented by Max Eckardt, Jr., and consisting of balls and spears with a knitting needle core, are a big seller. Most noteworthy of all is the taste for "pastels," balls with a misted finish in new colors like pink and chartreuse. Originally designed for decorators and stores, for the past few years they have been in growing demand for home use.

Whatever the decorations, people in the business have their ideas about how a tree should be trimmed.

According to one authority at Noma's, pick your tree for good proportions with special attention to base branches, and leave it outdoors in a pail of water until it is ready to put up. Then place it in a stand with a water well. Figuring from the bottom branches, have a minimum of ten lights for each foot of tree. Place your top piece on first, then run the lights from the top down, either around or

(Continued on page 63)





WIDE WORLD

FEW congressional committees in recent years have won fame for popularity, but a new group has risen to regain lost laurels. This is the Johnson Committee set up to study the war production program

Velvet Gloves on Capitol Hill

By HENRY F. PRINGLE

Complacency loses to Johnson

ON ONE of the few sunny days in the nation's capital last fall, a leading American industrialist arrived in Washington. He was accompanied by such key men in his corporation as lawyers, economists and accountants. He also was accompanied by considerable irritation and suspicion, for he was slated to testify that day before the Preparedness Subcommittee of the Armed Services Committee of the Senate.

The names of the magnate and his company cannot yet be disclosed, although in due course they will be published in an official report of the subcommittee. The company manufactured, among other things, a commodity essential to the mounting production program caused by the Korean crisis. The price of this commodity had risen rather sharply in recent months and the profits of the corporation itself had doubled in the first six months of 1950. The industrialist had visions of being

branded a war profiteer and bitterly resented the possible accusation for a good reason. It wasn't true.

His first surprise came when he entered the room where the committee was meeting and was greeted courteously by its chairman, Sen. Lyndon B. Johnson of Texas. His next was when he learned that the hearing was an executive session, with no reporters present, and that there would be no headlines. His third surprise was the soft-spoken examination by young Donald C. Cook, the committee's counsel. Cook began by saying he was sure that both the increased cost of the commodity and the company's profits could be explained. Would Jones go about it in his own way?

The industrialist, just slightly pop-eyed, did so. His concern's earnings were the result of increased sales of many other products. The current higher price of the item strategic for war was, in fact, lower than it had been a year

before and the company was losing money making it. Wages and the cost of basic materials had gone up sharply. The seven members of the Senate committee heard Jones out. Then Chairman Johnson said, in substance:

"We are grateful to you for coming here. Your statement is satisfactory in every way. With your permission we shall publish a summary of your testimony in a forthcoming committee report."

Such a conception—the idea that deserved praise would be published in a congressional document—caused considerable astonishment in Washington. Far more common have been reckless, unsubstantiated charges in which the reputations of honest Americans have been wrecked. But this does not mean that the Johnson committee, in existence only since last July as a watchdog over war production, is either gentle or complacent.

"I have confidence," Johnson

said after the subcommittee had been created, "that it will . . . be frank, impartial and straightforward—blunt but not unfair, zealous but not persecuting; helpful but not compromising."

"We will not hunt headlines," the chairman added.

Suggestions for subjects and situations to be investigated, and which may in the end become headlines anyway, come from a variety of sources. At the start, obviously, the committee members and the staff determined general policies. But as the work got under way other congressmen made helpful suggestions from time to time.

mittee, being assured they would be protected. As the newspapers began to give attention to the committee's work, patriotic citizens in all parts of the country offered further data. They told of waste and inefficiency at military establishments. Sometimes workers in war plants reported their suspicion of undue profits.

The Johnson committee accepted none of these reports as facts, but all which seemed to have merit were examined. Some made no sense. Some came from disgruntled bidders who had failed to get contracts and had leaped to the conclusion that all procurement

"Either the Munitions Board has a program or it has not," said the unanimously approved report. "If it has a program it could readily be described. If it has no program it should candidly be admitted. In any event, if the diligence with which the Munitions Board addressed itself to our inquiry is any measure of the manner in which it attends to its other duties its competence would seem to leave something to be desired."

The Johnson Preparedness Committee has, of course, the power to subpoena witnesses and take their testimony in executive sessions or at public hearings.



WIDE WORLD

Virgil M. Chapman (Dem.)

Leverett Saltonstall (Rep.)

HARRIS & EWING



HARRIS & EWING

Wayne L. Morse (Rep.)

Six senators, three Republicans and a like number of Democrats, make up Chairman

"I've a letter here from a constituent," would be typical. "He makes a product needed in the manufacture of heavy tanks. He's one of the few fellows in the country who can turn out this gadget. Yet he complains that those 'great brains' over in the Pentagon write specifications which are impossible to follow. Maybe you boys can look into it."

Equally important tips came from the Pentagon itself. Sometimes they were anonymous telephone calls from officers, working their hearts out trying to get things rolling, who found themselves thwarted by red tape. Appeals to their superiors had been futile so they turned to the com-

officers were crooks. The encouraging thing to the committee was the increase in the number of tips received after publication of its first report.

That report, issued in September, was thorough and biting. Specifically, it analyzed the potential shortage of natural rubber. It cited "complacency on the Potomac" with respect to full and efficient use of the costly plants built for the manufacture of synthetic rubber. More generally, the report called attention to "a siesta psychology" in the production of war matériel. Again, regarding the vital subject of rubber, the committee took the Munitions Board to task.

A congressional committee on the conduct of a war can be useful indeed, saving money into the billions. Far more important, its inquiries can lead to better weapons being sent to the front and actually shorten the struggle. On the other hand, such a committee can be an unadulterated evil, as was the case during the Civil War.

In December, 1861, Congress appointed a joint committee to check on the prosecution of the war against the Confederacy. Instead of doing any good, it came close to bringing defeat to the North. Its members went on repeated missions to the front, meddled in the appointment of commanding officers, and with tactics and strategy.

Their unfair, ex-parte investigations added grievously to the crushing burdens of President Lincoln. The committee went to the incredible length of insinuating that Mrs. Lincoln was a traitor.

"It was worth two divisions to me," Gen. Robert E. Lee has been quoted as saying.

Tall, talkative Lyndon Johnson, who was once a schoolteacher, knows some history and has no intention of repeating that mistake. The cynics insist, of course, that Johnson formed his committee for political reasons, an accusation which he denies in picturesque, profane Texan language. He dis-

capture in the remote Korean hills, so far away that they might almost be on the moon.

"This is a horrible crime," he told his colleagues. "How much more horrible it will be, though, if this Government and this Congress tie those boys' hands behind their backs by acting too slowly, too cautiously, with too much consideration for the comfort of those who remain behind."

The senator went on at some length in arguing for his committee. Economy in the military establishment had been overdone, he insisted. The United States had been more interested "in making our

mittee could be either a nuisance, a dangerous one, or it could be of real value to the security of the nation. That depended on how it was organized and its manner of operation.

Johnson, although only 42 years old and serving his first term in the Senate, is no amateur in such matters. He was a member of the Texas delegation in the House for 12 years. When not in the Navy, he was chairman of a committee which investigated naval affairs and which won the praise of the late James Forrestal, then Secretary of the Navy.

The senator, whose day normally



ACME PHOTO

Estes Kefauver (Dem.)

Styles Bridges (Rep.)

HARRIS & EWING



WIDE WORLD

Lester Hunt (Dem.)

Johnson's Preparedness Committee that has official Washington jabbering to itself

claims any notion that he was thinking of the similar investigating body of which Harry Truman was head and which sent the Missouri senator, with the help of fate, to the White House.

Johnson was on active duty with the Navy during the war. "I watched my friends die," is his own statement on why he wanted a committee which would check on war efficiency after aggression began in Korea. Although extremely loquacious in conversation across a desk, Johnson is not a frequent speechmaker in Congress. On July 12 last, however, he did ask to be heard.

American soldiers, the senator said, were being executed after

books balance than in making our strength balance against the military power of communism. Far more dollars are being lost in south Korea than all the dollars we have saved—if we have saved any at all."

Johnson got his committee, with the relatively small sum of \$25,000 for staff expenses. Then began the job of selecting the members. The chairman chose wisely. He picked three Democrats: Virgil M. Chapman of Kentucky, Estes Kefauver of Tennessee and Lester Hunt of Wyoming. The three Republican members are Styles Bridges of New Hampshire, Wayne L. Morse of Oregon and Leverett Saltonstall of Massachusetts.

The Johnson Preparedness Com-

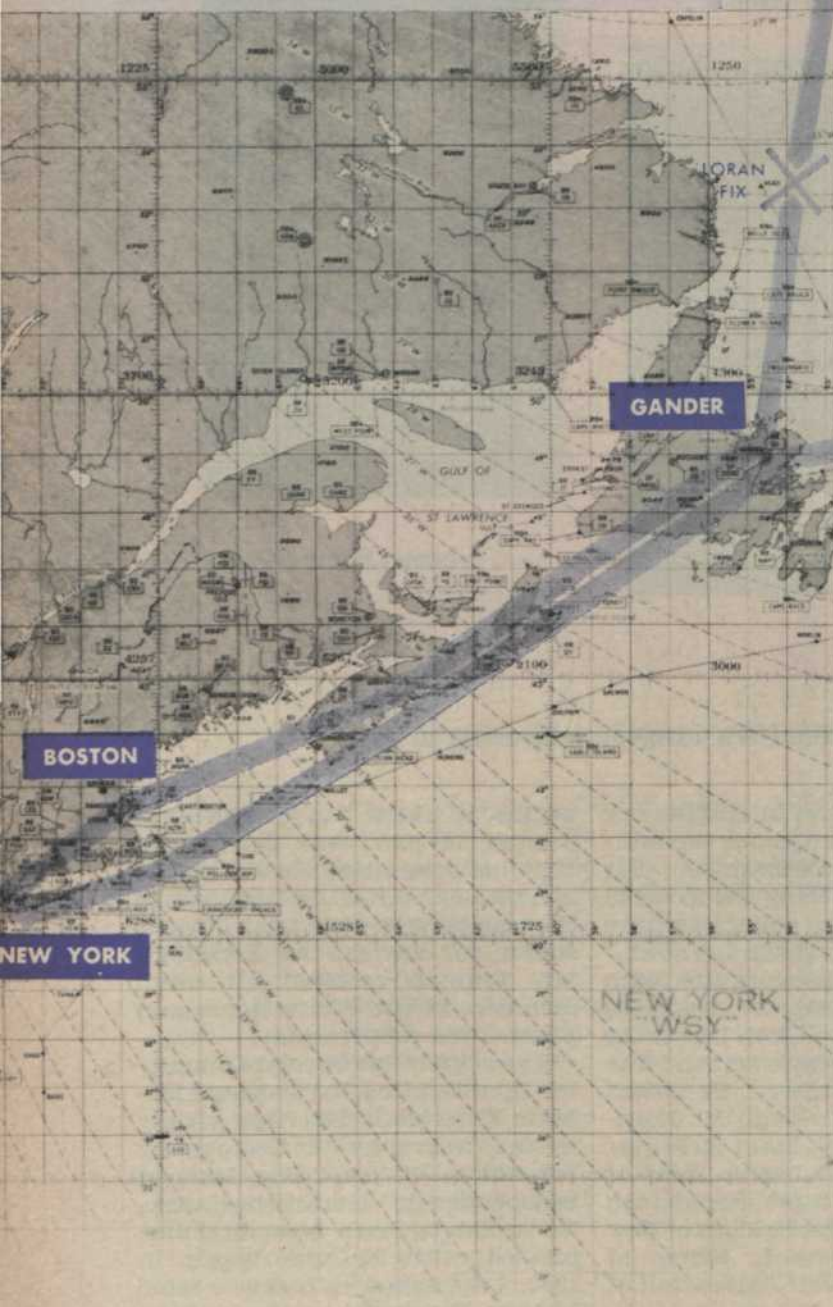
mittee begins at about 7 a.m. and ends around 10 p.m., was determined that his committee should not be a nuisance. After he had named the members, he went to an obvious source for advice, the President. Mr. Truman received all seven members at the White House and pledged his cooperation.

The work of his Special Committee Investigating the National Defense Program is described vividly in the biography of Truman by Jonathan Daniels, "The Man of Independence." The Missouri senator seems to have been first impressed with defense waste in 1940. Like Johnson, he knew some history. He read the records of the

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Whitmore and Schule check for a brisk tail wind



Flight

ITS FOUR engines checked and idling, the big, deep-bellied airliner rolled onto the take-off tip of the long runway and came to rest, headed into the breeze blowing across New York's International Airport.

On the upper deck of the stratocruiser's cabin a movie actress, experienced in many trans-Atlantic flights, settled comfortably in a window seat and took a book from a brown suede duffel bag decorated with giant-sized initials. Across the aisle, an Englishman, a stonecutter by trade, looked out to absorb the last sights of the America he had been visiting.

Farther back a Bronx housewife cradled her infant in her arms, while a machinist from Syracuse and his wife (she had worked as a cashier to save money for the trip) held hands in the excitement of departure. A woman whose passport listed her home as Houston was getting acquainted with an industrialist from Mexico.

Two pert and pretty stewardesses passed along the aisle checking the seat belts of the 39 passengers. The purser, a veteran of 27 years on the sea and in the air, descended the circular stairway midship to make his last check of the still unoccupied lounge.

In the airport control tower half a mile away an operator scanned the skies behind and ahead of the poised plane, spoke into his radio microphone: "Flagship nine-four-seven. Cleared to take off."

On the plane's flight deck the first officer picked up his microphone:

"Flagship nine-four-seven."

The plane's captain, Otto B. Whitmore, his radio headset cocked to leave one ear open for crew talk, half turned in his seat at the left of the center control pedestal and glanced around the flight deck.

"All set?" he asked.

"All set," answered the senior flight engineer,

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By A. H. SYPHER

A WARTIME multi-engine pilot reports at first hand on the skill and teamwork that are required to send a giant airliner winging safely over the North Atlantic

his hands ready over the engine and propeller levers on a separate control bank behind the pilot. The engineer's responsibility was power.

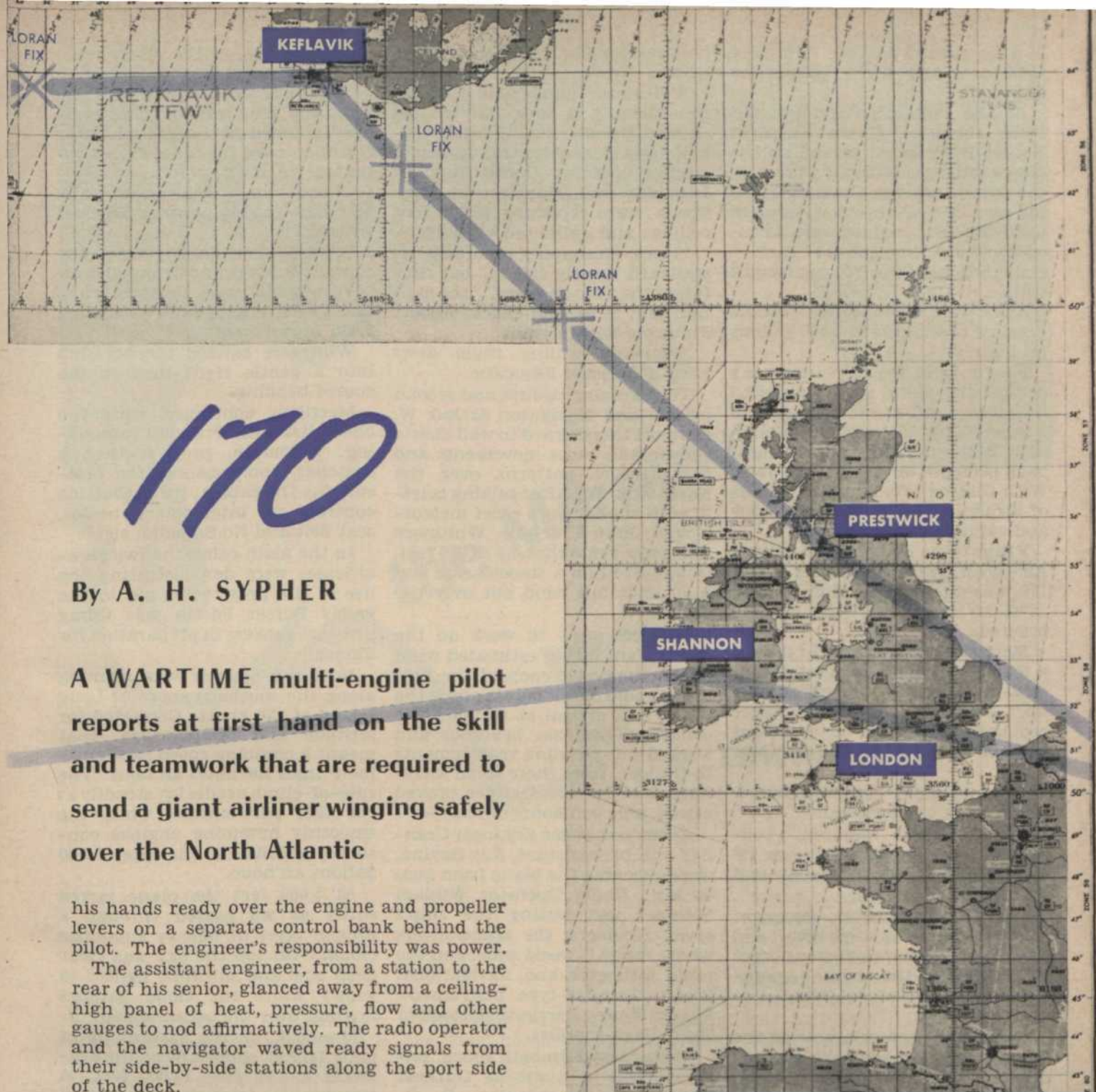
The assistant engineer, from a station to the rear of his senior, glanced away from a ceiling-high panel of heat, pressure, flow and other gauges to nod affirmatively. The radio operator and the navigator waved ready signals from their side-by-side stations along the port side of the deck.

In a seat on the outer wall, the second officer adjusted his seat belt. His job, at this time, was stand-by. I sat on a similar seat to the left and slightly behind the captain.

Captain Whitmore's right hand closed over the four throttles and eased them forward. Using a steering wheel on a column to his left, he guided the nose-wheel to send the big ship down the center of the runway.

To the captain's right, First Officer William S. Merriken gently gripped with both hands the semi-wheel at the top of the flight control column between his knees, a duplicate of the yoke before the captain.

Answering the throttles the ship's engines developed a rising roar, and the big airliner gathered momentum—slowly at first and then with a rush. The airspeed indicator needles moved up to 50 knots, then swept past 60 and 70.



As they rushed past 80, Whitmore took over the flight yoke from Merriken.

As the captain's hand left the front throttles, Senior Engineer Robert B. Crandell picked up the power settings. Without a break in the power increase, Crandell eased his own set of throttles forward until the four engines were developing 3,500 horsepower each—enough to haul two 100 car freight trains.

They were burning high-octane gasoline at the rate of 1,400 gallons an hour.

Nearly 5,000 feet of runway lay behind the plane as the airspeed indicator needles swung past 110 knots—about 125 miles an hour—and Whitmore exerted a slight back pressure on the control yoke. With that he lifted 131,800 pounds of airplane, fuel, passengers, crew and cargo into the air.

Flagship nine-four-seven, American Overseas Airlines Flight 170, was airborne, London bound.

"Gear up, please," the captain ordered.

Merriken's waiting finger flipped a toggle switch on the center pedestal and he replied: "Gear coming up." A few seconds later, as three red lights went out on the front instrument panel, he added, "Gear up."

"Twenty-eight hundred horsepower," the captain said.

"Twenty-eight hundred," confirmed Engineer Crandell, as he drew back on his propeller and throttle controls.

The tower operator's message: "Off the ground at three-two," and Merriken's acknowledgment were intercepted in the airline's operations office at International Airport.

A dispatcher made a note on the form on his desk, then chalked another on the big position board across one end of the room. Similar notations went up in the operations offices in Gander, Newfoundland, the liner's first stop, and in London. They also went up on boards in traffic control stations along the flight's path across Nova Scotia.

Before leaving his home in Glen Head, Long Island, that day, Otto Whitmore had mowed the lawn and washed the car, a shiny new station wagon, so it would be clean for his wife and their three little girls while he was away. There were still 90 minutes left before flight time when he pulled up at the operations hanger, kissed the girls good-by and signed in at the office of the superintendent who

had set up the flight three days before.

Whitmore found that weather reports only a few minutes old showed Gander had 30 miles visibility and clear skies. His alternate landing points, Goose Bay in Labrador and Moncton in Nova Scotia, were reporting 10,000 foot ceilings and unlimited visibility.

"I see Shannon's reporting its standard 'mostly cloudy,' but they forgot the 'rain showers,'" the captain said to Second Officer Robert Finucane with a smile.

"Probably calling them dewes now," suggested Finucane.

The captain, his first and second officers and Navigator Arthur W. Dermott then turned to wall charts showing air mass movements and air pressure patterns over the North Atlantic. After talking briefly with the airline's chief meteorologist, John J. Schule, Whitmore selected a route that, at 19,000 feet, would give him a smooth ride and a 50 knot tail wind out over the ocean.

Dermott went to work on the flight plan, listing estimated wind effect, time over each of the half dozen radio check points along the route, and arrival at Gander. He computed compass headings and worked out gasoline requirements to Gander, from there to an alternate field in case Gander proved closed, plus two hours of reserve.

At the same time Engineer Crandell and his assistant, Ray Savina, were checking the plane from nose to tail. Radio Operator William Stempel was testing the ship's seven receivers, the transmitters whose range is world wide, and the radio altimeter and navigational Loran, a radar-type instrument. Purser Wesley Perrin took stock of the galley's supplies.

Stewardess Elizabeth Steed, until recently a nurse at Garfield Hospital in Washington, D. C., checked over the passenger list and made notes on seating arrangements, while Stewardess Frances Wilson, a Philadelphian fluent in French and Spanish, moved slowly down the aisle in a final inspection of the cabin.

As the passengers were loading, the captain cleared the ship's papers through customs. All of us back aboard, he supervised while Merriken called off 44 checks and adjustments that set up the ship for starting.

"Ready on the ground," came the voice of the ground crew chief, plugged into the intercommunications system from his post under the nose of the big ship.

Once in the air the plane gathered speed quickly.

"ADI off," the captain called, after the gear was up. The engineer switched off the alcohol-water injection used for takeoff, and reported: "ADI off."

"Flaps up," Whitmore said. Merriken flipped another pedestal switch.

"Twenty-four twenty-five," the captain ordered, and Crandell drew back propeller and throttle levers until each engine was producing 2,425 horsepower.

Whitmore banked the big ship into a gentle right turn to the course heading.

Merriken continued with the check list with Crandell responding: automatic prop feathering switches, compressors (for pressurizing the cabin), turbo override controls, oil intercoolers, turbos, seat belt and No Smoking signs.

In the main cabin the two stewardesses were demonstrating the use of life preservers, and in the galley Purser Perrin was filling pressure cookers in preparation for dinner.

Now the airliner was running along the southern shore of Long Island at 170 knots. Corrected for altitude and temperature, that meant a climbing speed of slightly more than 200 miles an hour. The rate-of-climb needle lay steadily at 750 feet per minute, while the smoothly humming engines consumed gasoline at the rate of 700 gallons an hour.

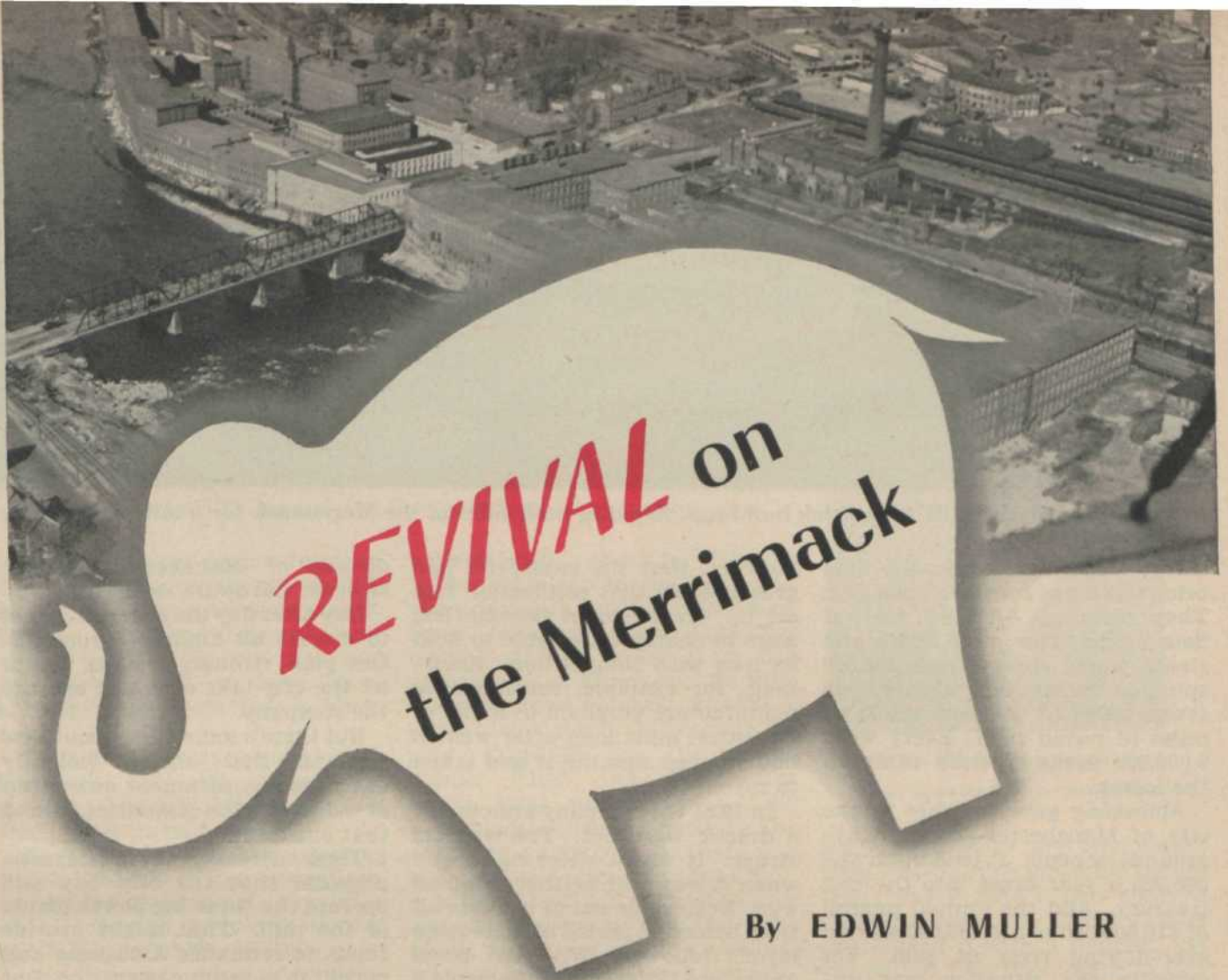
At 5,000 feet the plane jarred softly as we passed through a broken layer of billowy cumulous clouds. On top the sky was clear deep blue and sunshine lighted to snowy white the cloud patches floating over the ocean ahead.

Montauk, on the eastern tip of Long Island, slipped by as the altimeter moved past 15,000 feet. A few minutes later the ship passed over Nantucket Island, Mass., at 19,000 feet. It turned 30 degrees to the north, headed for Yarmouth, Nova Scotia.

The captain trimmed the ship for level cruising flight and the rate-of-climb needle settled to zero. The airspeed began to rise. At the captain's nod, Crandell reduced power output to 1,750 horsepower per engine and fuel consumption was cut to 550 gallons an hour.

Listening on his headset, Merriken caught the identification signal of Yarmouth airway radio. The needle on the compass face in the forward instrument panel pointed

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By EDWIN MULLER

FOR MOST residents of Manchester, N. H., Christmas this year will be a happy one. Back 15 years ago it was a far different story

ON CHRISTMAS EVE, 1935, a major catastrophe struck the city of Manchester, N. H. On that day, the Amoskeag Manufacturing Company went into bankruptcy. The disaster overwhelmed the town like a destroying flood. It carried equal destitution. At one stroke most of the inhabitants lost their livelihood, and there was no other to be had.

For 100 years, Manchester had been almost totally dependent on Amoskeag, the largest textile manufacturer in the world. The majority of the people worked in the mills. Many lived in company-owned houses. The company payroll put goods into the thriving stores on Elm Street, paid the doctors and the dentists, kept the schools and the churches going.

People stayed at home that Christmas Eve, looking out bleakly

at the snow that would lie through the long northern winter. With the mills silent, Manchester, it seemed, was through.

It was the Amoskeag Falls which first attracted settlers to the site which is now Manchester. The Merrimack, a lovely stream which rises far up in the dark forests of the White Mountains, at Manchester winds out of the hills into the low country lying toward the coast. There it is broken by falls.

In colonial times the Merrimack was an artery of commerce. Lumber and furs came downstream, supplies went up. At the Falls, all freight had to be transshipped. The settlers noted how well adapted were the Falls to the generation of power. First there was a sawmill. Then, in 1809, Benjamin Pritchard built a small cotton mill. Manchester, like many other New

England towns, began a long uninterrupted growth as a textile manufacturing center.

Drawn by the prospect of employment at the mill, people of varying stocks settled in Manchester. There were Scotch-Irish Presbyterians, Puritans from Massachusetts, Irish from the famine-ridden old country, and French-Canadians from the overpopulated farms and towns of Quebec. Yet all had one trait in common—a vigorous independence.

Pritchard's mill was bought by Samuel Slater, an Englishman who had come to America in 1789. He enlarged the mill, built others and, in 1831, incorporated Amoskeag Manufacturing Company. As the mill grew in size and power, it was able to absorb any other textile mill which sought to locate in Manchester. Under the leadership of T. Jefferson Coolidge, a great grandson of Thomas Jefferson and an overlord of New England finance, Amoskeag rose to the peak of its power. When Coolidge died in 1920 at the age of 89, the company had reached fabulous proportions.

For a mile and a half, on both



The Amoskeag mills' long brick buildings, flanking both sides of the Merrimack for a mile and a half,

sides of the Merrimack, the long brick buildings rose tier upon tier. They enclosed 8,000,000 feet of floor space. The great hydro and steam power plants drove 700,000 spindles. Within the mill yard were seven miles of railroad track, 21 miles of paved road. Every week 5,000,000 yards of cloth came off the looms.

Amoskeag gave lavishly to the city of Manchester—parks, playgrounds, schools. It paid up to \$1,000,000 a year taxes into the city treasury. And the annual payroll of \$10,000,000 to \$15,000,000 was an ever-flowing river of gold. Yet actually the situation was unhealthy. For Manchester was like a medieval town under a feudal lord.

The mill yard was like a castle. It was shut off from the town by a high fence and no one was allowed to enter unless he had business with the company. The mill even had its own police and fire departments. From inside the fence the mill reached out to exercise a large measure of control over the affairs of the town. Because it held the purse strings, it had a dominant voice in the decisions of the city government. Worse, decisions affecting the city were made by absentee-owners. The mill was controlled and managed by men in Boston who seldom came to Manchester. Sometimes citizens felt that their independence had been whittled away. But so long as the river of gold continued to flow, there seemed little they could do about it.

The decline of Amoskeag began in the early 1920's. According to the management, it was caused by the competition of southern mills with their low wage scales, by the competition with cheap imports from Japan and other countries. Others maintained,

however, that the enterprise had grown so big that ossification had set in. Management became less alert to changes, less able to hold its own with competition. Amoskeag, for example, continued to manufacture gingham in many of its cotton mills long after women had stopped wearing it and taken to rayon.

In 1922, the company announced a drastic wage cut. The workers struck. It was a bitter fight, and when it was over neither side had won. Both came out of it worse off than before. A period of increasing layoffs followed. With the boom of the late 1920's Amoskeag made a partial recovery, but its profit of \$1,000,000 in 1929 was its last. Every year thereafter the deficit mounted. Before Amoskeag died, its affairs got into a stupendous legal tangle.

The end came abruptly. Arthur Black, federal referee in bankruptcy, declared Amoskeag bankrupt.

Over the mill yard that Christmas season lay the quiet of death. The only people with jobs were the hundred watchmen who guarded the buildings and machines for the federal referee. Tenants of company houses faced eviction. Many families, their savings drained by Amoskeag's long sickness, wondered where the next meal was coming from.

Something had to be done. Manchester's answer was to form a Citizens' Committee of its leading men. Among them were Frank Carpenter who, although past 90, was still active president of the leading bank; Col. William Parker Strawn, formerly local agent of Amoskeag; William Jewell, publisher of the *Union Leader*; John R. McLane, senior partner of the leading law firm; Bishop Peterson, the head of the Roman Catholic

diocese of Manchester; Arthur Moreau, hardware dealer.

Day after day the committee met to discuss all kinds of proposals. One plan, strongly pressed, was to let the city take over and operate the company.

But there's something about New England that sheers violently away from government ownership of industry. The committee turned that one down.

Then there was the less drastic proposal that the city buy and operate the three big power plants of the mill. That might provide funds to refinance Amoskeag and permit it to resume operation. But they considered the creeping disease of bureaucracy and political favoritism that afflicts so many municipally owned public utilities. They turned that one down, too. For two months the committee kept trying.

Then catastrophe struck again. During March, the Merrimack overflowed its banks and kept on rising, swelling into the biggest and most destructive flood in 100 years. Damage totaling \$2,500,000 was done to the mills.

That seemed to be the end. One day a brisk group of men arrived at the mill yard. They cut the power conveyor belts, put tags on all the thousands of machines, prepared them for shipment. The federal referee had decided on a quick liquidation of all salable assets by auction. Word of this spread rapidly throughout the textile world. Buyers began to gather from the South, from South America, from Japan, from every place where textiles were woven.

In this hour of Amoskeag's final disintegration, a leader rose to meet the challenge. He was Arthur Moreau, the son of a French-Canadian immigrant. Moreau had built his father's stove business



once were the world's biggest for the manufacture of textiles

into a successful hardware store. He had been active in community affairs and had served as mayor. Now he called the Citizens' Committee together. It was their last chance, he said, to save Manchester from becoming a ghost town.

Then he made his proposal: "We ourselves will buy Amoskeag." Amidst a blank silence he told them what he had in mind.

Next day, in Boston, Referee Black listened to the committee, considered its proposal. The price of the company, he told them, was \$5,000,000, of which \$500,000 must be paid in cash within ten days. Otherwise the auction would be held. Moreau spoke for the committee: "We agree."

The year 1936 in New England wasn't a good climate for raising \$5,000,000, but promptly the next day the committee got to work. They formed a corporation, Amoskeag Industries, Inc., with Arthur Moreau as president, and set out to sell stock. Each member of the committee dropped his private business to devote 18 hours a day to Amoskeag Industries. Every morning and afternoon Jewell ran articles in the *Union Leader* urging subscription.

Bishop Peterson addressed meetings. Townspeople were canvassed personally. A doctor, for example, would be asked: How were things with him? Patients not paying their bills? Well, they never would unless they got jobs again. The doctor dug into his savings, bought stock in Amoskeag Industries. So it went throughout the city.

The committee made it plain to every investor that, in all probability, he would never see his money again, but subscriptions ran from \$100,000 down to less than \$500.

On the tenth day the committee went back to Boston. Moreau

handed Black a check for \$500,000.

The next step in the financing was a deal with the New Hampshire Power Company which long had bought surplus power from the great plants of Amoskeag. To NHP the committee pointed out that a ghost town doesn't use power. NHP paid \$2,250,000 for the power plants. Then the Manchester banks were persuaded to take mortgages on the property to the extent of \$2,250,000. So there was the purchase price of \$5,000,000.

Moreau and his associates now owned Amoskeag, but the vast plant, which was earning nothing, was costing \$10,000 a week to maintain. It was necessary to get it into production. As a preliminary step, obsolete machines and equipment were sold for what they would bring. The proceeds paid maintenance costs and enabled the company to conserve its working capital.

The directors' most essential job now was to attract new industries into Amoskeag. They undertook a publicity campaign for Manchester—in trade papers, in booklets they set forth the advantages that the city offered manufacturers. They got hold of everybody in town who might have any contact with manufacturing. A dentist, for example, would be asked to find out from the companies from which he bought dental supplies whether any of them could be persuaded to set up a new plant in Manchester. The directors got the whole town working.

They began to get results. Two nationally known textile companies each took one of the larger Amoskeag mills and began operation. A shoe manufacturer moved in, a maker of men's clothing, a poultry dresser, a retreader of tires. Sometimes a building and its equipment were sold outright.



Arthur Moreau, a hardware man, sparked the campaign

Sometimes space and equipment were leased to the incoming industries. Every time a new concern came to town, the *Union Leader* proclaimed it with a flourish. By the end of 1936 there were 15 new industries.

By the end of its first year of operation, half of the 8,000,000 feet of floor space had been sold or leased—all to manufacturers providing jobs and wages for Manchester men and women.

But serious setbacks occurred. Manchester was still only half employed. One of the big textile companies, after a year of operation, moved away, taking with it all the looms and other equipment it had bought from Amoskeag Industries, and leaving the mill an empty shell. Amoskeag Industries slipped back \$100,000 into the red. It began to look as if the city's recovery had been a flash in the pan.

Their backs to the wall, the directors decided on a new line of attack. All over the country, they knew, there were enterprising men with ideas and experience, yet lacking in capital to go into business on their own. The directors set out to search the country to find such men. When they did find one, they investigated him carefully and, if satisfied, would sell him a mill for a ridiculously small down payment plus a mortgage, would help finance him by taking

(Continued on page 61)

A Christmas

IT WAS hard to sit here beside his desk, taking dictation as she took it every morning, pretending nothing had changed. She kept her eyes on the notebook. She was pale today. Behind the air of poise, Ruth Walton felt tense and unsure of herself.

Between letters she sent a quick glance at him. For all the quietness of his deep voice, Sam Calker, too, looked different this morning. His lips were set in a tight line. His heavy, square-jawed face seemed more rugged and more stubborn. Because Christmas was only two weeks off, Ruth had hung a holly wreath in his window, and now the circle seemed to frame his thick, graying hair.

"To Borne and Hilliard," he said. "Gentlemen. In answer to yours of—"

Ruth wrote her notes mechanically. Her mind was back in the small restaurant to which Sam Calker had taken her last night. She could feel his hand over hers again. She could hear his voice talking of marriage. . . . It had been so unexpected that her surprise had verged on consternation. And Sam

Calker, seeing her expression, had frowned and said, "My God, Ruth, I—I didn't think it would make you feel *bad*—"

She'd said quickly, "It's just—well—it's taken my breath away. I—I hardly *know* you, and you hardly know me. . . . Do you realize this is the first time we've been outside the office together?"

Sam Calker had looked as if he'd wanted to kick himself. And then, as though seized by the fear that she'd turn him down, he had squeezed her hand harder.

"Don't say No!" he'd urged in a whisper. "Please—don't say anything! I—I'm a fool to throw it at you like this. Let's wait. Take time to make up your mind. Oh, damn it, I shouldn't have said anything tonight!"

And Ruth, with an abrupt smile full of warmth, had answered the pressure of his fingers. "You—you won't mind waiting a little, Sam?" she'd said. "Just so I can answer with—some sense?"

Yet here they sat this morning, disposing of the

The noisy crowd caught Sam obviously bewildered. He stood in his shirtsleeves and blinked



Party

By OSCAR SCHISGALL

mail as if nothing had happened. Taking notes, Ruth asked herself, *Why did I hesitate? What's wrong? I've liked him so much since the day I came.*

Yes, she'd admired this hulking man of 45. She respected what he had done in business. It was an achievement to be proud of, building a chain of supermarkets. Moreover, she had learned that he and she had at least one thing in common: both had been married before. Sam Calker had lost his wife almost 13 years ago in an automobile accident, and Ruth's husband had died on Okinawa. Everything considered, maybe she was silly to hesitate, to put him off when she liked him so well, when she spent so many nights thinking of him.

The office door opened. George Perry, the treasurer of the company, came in with his usual troubled scowl—a slim, dark man with a sharp little mustache. "Sorry to interrupt, Sam," he said. "But we've got to get this Christmas bonus thing settled!"

Sam Calker put down papers and leaned back in his chair. He rubbed a hand over his mouth. It wasn't often he seemed indecisive. His attitude puzzled Ruth.

"I don't know, George," he said slowly. "I hate to do a thing like that. After all, Christmas—"

"Christmas or no Christmas," George Perry said in his clipped voice, "this year we can't afford a Christmas bonus!"

"In 15 years we've never missed—"

"In those years we made money! This year is something else."

Ruth looked down at the notebook. She wondered if she ought to step out while they talked. She knew the situation well enough, however, and it seemed ridiculous to turn her back on it. In the year that was ending the Calker Stores had taken some heavy blows.

They had grown too quickly in the wrong places. Four of the new supermarkets Sam had opened had been operating at a loss, and the drain on the whole chain had been severe.

George Perry said, "With almost 500 employes on our payroll, the usual bonus—just one week's pay—would come to around \$30,000! Sam, we just can't do it!"

"But our employes—"

"They've got to understand," George said. "They shared the fat years; now let 'em share a lean year. The company needs that \$30,000. It'll help make their jobs secure."

"Point is," Sam said slowly, "we provided for that item in our budget; and taking it back, I feel like a heel. . . . After all, I—I hate to hand out a Christmas disappointment."

George Perry leaned forward on the desk, and a touch of mockery came into his voice.

"For God's sake, Sam, you going soft? You getting sentimental or something? I tell you we need that

\$30,000! You can't hand out gifts in a year like this! You just can't afford a \$30,000 gesture! The employes will understand!"

Sam Calker's face hardened. He reached for the letters again, and he said, "Okay, George, okay. You're right. No bonus. . . . Let's call it settled."

Half an hour later, back at her own desk, Ruth stared unseeingly at her typewriter. She was tall and dark-haired, and now every muscle in her slim body seemed coiled tight.

She knew suddenly why she had hesitated to marry Sam Calker.

Again and again, as in the matter of this Christmas bonus, she had seen him push sentiment aside in favor of what he termed "hardheaded practicality." Sometimes he'd waver for a moment, but always he was governed in the end by the dictates of the dollar. She might accept that in a boss. But in a husband? . . . Carried over into his private life, that "hardheaded practicality" could make him utterly unfeeling. That was what she dreaded. This matter of retracting the Christmas bonus—for



which, in his own words, he had actually provided in his budget—simply clinched the suspicion she hadn't allowed to become clear in her mind: *Sam Calker was hard, insensitive*. Emotionally they were as different as two people could be. They'd never get along. . . .

It didn't take the office grapevine long to circulate the news that there would be no Christmas bonus this year. Ruth saw the dismay it caused. The place became silent, as if everyone had suffered an undeserved blow.

The irony of it was that the annual Christmas party—a traditional office function as old as the first Calker store—had already been planned. In fact, Dan Olin, the office manager, had taken up a collection for the staff's gift to Sam Calker, an expensive and beautiful desk set. But now that there was to be no Christmas bonus, it seemed a sham and a mockery to hold an office party. Now and then, as she crossed the outer office, Ruth heard whispers: "Why don't we call it off?" . . . "What's the point?" And some of the whispers were pretty bitter.

White of face, she stopped at Dan Olin's desk. "Dan," she said, "we've got to go through with this party!"

He glanced up at her wryly. "What for?" he said. "What've we got to celebrate?"

"Christmas!"

He grinned at that without humor.

"Don't be corny, Ruth. Even the boss wouldn't want a party this year. Just be rubbing things in."

"I don't see it that way! For 15 years you get a bonus, and everything's fine. You throw big parties. Then one year things go bad, and you—you give up! If you ask me, this is the time to show Sam Calker some—some *confidence and loyalty!*"

Dan looked up in a startled way.

"If he's down," she went on, "why not show him we appreciate how he must feel? Why not show it isn't only the—the money we celebrate around here? I—I think a party would give him—and *all* of us—the kind of lift we need! Sort of demonstrate one bad year can't knock us out!"

Dan Olin stared at her in silence for a time; and then, scratching thoughtfully at his jaw, he said, "Maybe you got something there, Ruth. Yeah, maybe you have, at that. . . ."

Presently he went around the office, from desk to desk, talking a few minutes to each one; and by four that afternoon the plans for a party had been revived. When Ruth went into Sam Calker's office, just before five, she found him signing letters. She said with forced brightness, "They're all expecting you at the Christmas shindig, you know."

"Are they?" Sam didn't glance up from the letters. "I've been thinking I'd better stay away from it this year."

"Oh, no!" she said, almost gasping. "Why?"

"Some ways," he said, "I'm funny, I guess. . . . Okay." He pushed the letters toward her. "You can

mail these." Then, as she gathered the papers, his expression changed. He reached across the desk for her hand. His voice fell, became a trifle husky. "Ruth," he said, "I—I'd been hoping you'd make it a *real* Christmas. For me."

That was when Dan Olin came into the office, his arms loaded with ledgers, and she didn't have to answer. . . .

On the afternoon of Christmas Eve, when the office party had been in noisy progress for almost an hour, it began to appear certain that Sam Calker would not attend at all. Occasionally someone would ask Ruth a puzzled question—questions she couldn't answer—and finally she went in desperation to the telephone. When she came back she was shaken.

"Mr. Calker *isn't* coming," she whispered to Dan Olin.

He scowled. "Where is he?"

"At his apartment. I just talked to him."

"Well, I'll be damned," Dan said. "And me all ready with a fine speech to present that desk set!" He turned to the crowd and yelled, "Calker isn't coming! He's home! What'll we do about it?"

There was a brief hush. A few of the men held their glasses half raised, pausing as if something had exploded.

Then Ed Wardman, one of the bookkeepers, called out, "If he won't come here, why don't we pile into cabs and go to *him*? We *got* to give him his gift!"

The idea won shouts of approval. And that was how Ruth, herself somewhat dazed, came to be one

of the noisy crowd that pushed into Sam Calker's apartment at half-past two. Sam was obviously bewildered. He stood in his shirtsleeves, caught by surprise, and blinked around at the 32 people who mobbed his living room. If they had intended this party to demonstrate loyalty to their boss, they could have found no more effective way of making it a success.

Dan Olin delivered a nice, carefully prepared speech as he placed the staff's gift in Sam's arms.

When he finished there was silence. Sam stood looking at the package. Twice he parted his lips to speak, but the words didn't come. He swallowed instead. Outside, church carillons were playing carols, and you could hear the bell of a Salvation Army Santa Claus; but here there was stillness.

Finally Sam Calker said in a low, unsteady voice, "Thanks, folks. Thanks to—all of you. I—"

He stopped. Ruth thought in amazement, *Why, he's choked up!* This hardheaded, unsentimental boss of hers was so moved that he couldn't speak at all! He turned away to set down the staff's gift. The room was so crowded that he carried it to the study. He stood there, unwrapping the package.

The bell rang, and somebody opened the door, and then a boy pushed his way into the apartment—a boy who carried a four-foot-high Christmas tree set, oddly enough, bound up in wrapping paper.

"Mr. Calker?" he asked.

Dan Olin answered, "Mr. Calker's inside. If you
(Continued on page 75)



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WINDOWS TO YOUR WALLET

By JAMES POLING

ONE AFTERNOON 20 years ago a woman who had paused in front of a New York department store window was approached by an intense, stocky little man who represented himself as an Inquiring Reporter. To his dismay, he discovered that the woman hadn't even noticed the goods on display; since the window made such an excellent mirror, she had stopped merely to straighten her hat.

The man went away and brooded over dark backgrounds and their relation to window reflections. A few weeks later he installed a series of displays with white backgrounds in another store's windows. These windows gave off a minimum of reflection and were useless for primping. Although they are common today, those were the first displays ever built against a white background.

On another occasion—a hot summer day in front of Macy's—the same man, now in the guise of a poll taker, engaged a woman in discussion about a beach display in a window. At one point she said, "Even that window looks hot. What I wouldn't give for an old-fashioned snowstorm right now." That remark later was to earn the phony poll taker \$20,000. After tinkering with some corn flakes dyed white, and an electric fan, he was ready to create his own snowstorm. Stores in more than 60 cities soon were blowing up their own storms.

To window-shoppers of this and other countries the name Albert Bliss means little. Nonetheless, he and his work have induced them to spend thousands of dollars. To merchandise buyers his name means sales; particularly since, contrary to popular belief, window displays can be one of the best advertising mediums.

Last year Bliss produced 8,800 displays for department and specialty stores in this country and



PHOTOS BY R. I. NESMITH

Bliss owes a lot to Santa—for it was a Christmas window display that brought him national fame

abroad, and the day doesn't pass that shoppers in at least 40 cities aren't exposed to his wiles. While the Bliss Display Corporation produces run-of-the-mill displays as well as custom jobs, its main volume of business comes from the special-event displays in which the firm specializes. These take the form of the elaborately conceived Christmas, spring or anniversary sale type of displays. Bliss's most notable effort along these lines is the highly publicized mechanical bank of Christmas windows he has been producing for many years for Macy's.

Aside from display work, only three subjects are capable of arousing Bliss's enthusiasm—fishing, food and people. But he doesn't limit his curiosity to people. He has compensated for his limited formal education by extensive reading. He keeps a record of the number of books he has read, classifies them as to type and date.

From a book on the customs and superstitions of mankind, he evolved 16 dioramas, showing the origin of Christmas customs, that were used later by many of the country's largest stores. These also became the basis of a best-selling series of Christmas cards. Another widely used window promotion,

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Money With
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Accurate,
Just-Published
Survey of New
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Home Appliances
Industrial Presses
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Lighting Fixtures
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Magnetic Recorder
Marine Equipment
Materials Handling
Merchandising Ideas
Metals
Microfilming Equipment
New Products Literature
Office Equipment
Packaging
Petroleum
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known as *The Story of the Bride*, grew out of his reading of Edward Westermarck's classic, *"The History of Human Marriage."* And when he needed background material to set off the *New Look*, he drew on his knowledge of the work of the renaissance architect, Bibiena.

He is not, however, a dust-encrusted academician. Bliss once sold a window promotion called *Romantic Summer Evenings* to stores in more than 100 cities—and drew his inspiration from sketches he'd made of some old wrought-iron balconies he'd seen while in New Orleans attending the *Mardi Gras*.

Bliss is a great propounder of display theories—once he has tested them to his own satisfaction. He discusses them at length with anyone who will listen; his long, nervous fingers waving his forgotten cigarette in cadence with his words. He may be speaking to one of his New York University merchandising display classes or to a cornered reporter. And, because his theories are tested, either by himself or by the research committee of the National Association of Display Industries, of which he is chairman, Bliss constantly is being asked to propound them.

"Display," he always says, "isn't a matter of being decorative or 'pretty.' It's display's job to make a store's traffic see and buy more items in less time.



Last year Albert Bliss produced almost 9,000 displays for department and specialty stores here and abroad

You know, a store owner's display space, unlike the newspaper or the radio, is the one advertising medium he himself owns, controls and operates. It's free advertising space, except for bookkeeping procedure. I suppose that's why so many retailers underestimate it and slight it—because it's for free. Why, there are store owners in this country who still haven't caught on to the fact that to be truly effective a display must be built around an idea."

All display space—be it window space or space within the store—is being slighted in Bliss's estimation if at least three basic rules aren't followed:

1. Merchandise must be exposed under conditions of extreme color, value and texture contrast. This is described as the most important formula in the field of display. Even best-selling, demand items benefit from display under these circumstances, Bliss says.

"We went into Frederick Loeser's, a Brooklyn department store, and took a glossy, navy blue woman's pump—as tried and true a demand item as one can find—and increased its sale 216 per cent.

"The store had been displaying it on top of a showcase. We put a light background behind it—red-orange—because the shoe was blue. And, because the pump was glossy, we put a rough texture immediately behind it. The shoe also was symmetrical, so we made the immediate background without symmetry. This we accomplished by taking a large, porous sponge and lacquering it red-orange. That finished the display.

"At the Quackenbush store in Paterson, N. J., we took a standard white enamel and chrome electrical appliance which stood in front of an off-white wall, backed it up with a dark blue, rough-nap velour, and increased sales 120 per cent. You've got to remember that nothing is in 'full view' in any store or window until it has been artfully surrounded by elements that are in direct contrast to the item's essential physical qualities. Once that's done, the customer can begin really to see it."

2. Goods must be displayed so that they are at right angles to the moving customer's line of sight. In other words, to be clearly seen, goods displayed below eye level should be tilted up so that they are at a right angle to the customer's eye when he glances down. Conversely, they should be tilted down when they are displayed above eye level.

Although this is, or should be, obvious, Bliss says that many retailers fail to realize that the customer is not primarily interested in the inside of a shoe or the under side of a hat. One of the best ways to slow down sales is to keep merchandise hard to see.

3. Each item must be surrounded with ordered-space, so that it can be seen clearly as well as quickly. Ordered-space is the display equivalent of white space in newspaper advertising. Bliss feels that many merchants fail to grasp the necessity of having sufficient white space around their window and counter displays. In this connection, he likes to point out that one dimension in the store window is seldom used—the ceiling. Posts, bases and supports of various kinds eat up valuable ordered-space, and many items that are ordinarily displayed on them could be more effectively hung from the ceiling.

These three basic display laws always are obeyed in any Bliss-concocted display—and these displays are effective enough to have led one New York merchandising authority to say, "The man probably lures more money out of women's pocketbooks than anyone else in his field of retailing."

Bliss, fidgety and dynamic, with brown hair that

is just beginning to show the erosion of time, was born in 1902 in the proverbial wardrobe trunk. His parents were in show business and he began a career as a Thespian at the age of eight. This was interrupted during his second year in high school, when he won an art scholarship that eventually led him into a none-too-happy period of scene-designing for various Broadway producers. In 1925 an old friend, connected with New York's Lord and Taylor store, suggested that the application of theater design technique to window displays might lead to something.

It led Bliss into a new profession and, for a period, near-starvation for himself, wife and child.

Finally, a display manager gave him a contract to do the display work for a Gimbel anniversary sale. The fee quadrupled his gross.

His first national success came in 1936 with his now famous Christmas bell windows for Lord and Taylor, which introduced sound into window display. In each window three large papier-mâché bells, so lighted that they cast magnified shadows on the wall behind them, tolled above a Christmas tree. The bells were attached to a rope pull and rocked in synchronization with carillon music that was broadcast through the store and out onto the street.

While he was constructing this display, Bliss asked Hendrick Van Loon to suggest a chime recording to accompany it. Van Loon named Gilchrist's "Chimes." But that, Bliss objected, was religious music. Van Loon replied, "May I refresh your memory as to exactly whose birthday these bells commemorate?" "Chimes" was used.

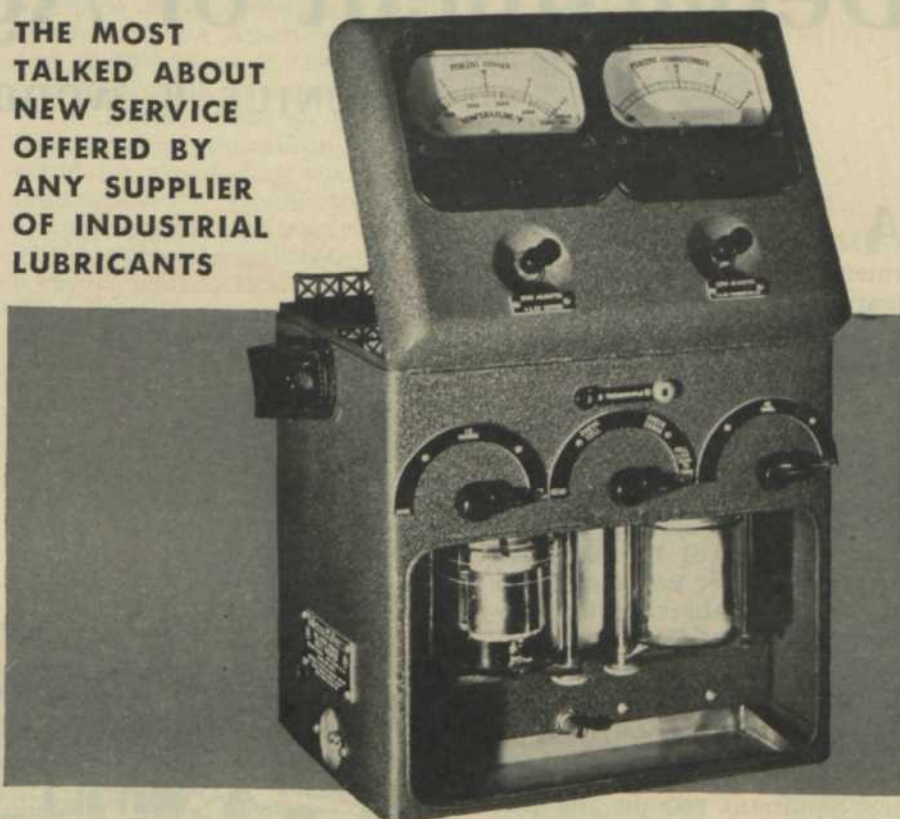
The bell windows immediately were picked up by more than 100 other American stores.

His elaborate mechanical Christmas windows for Macy's—he's even had special music written to accompany this display—are annually the biggest thing in the field. They stop more than 1,000,000 people during the holiday season and the police are habitually called out to control the crowds at their unveiling.

But the window he most delights in telling about is one of his midsummer snowstorm displays, which drew crowds as no other one ever had—because a mouse was in the window, placidly dining on the dyed cornflakes. "When I get a little overfond of my handiworks," he says, "I remember that I'm no mightier than a mouse."

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Department of Agriculture

By JUNIUS B. WOOD

AMBITIOUS dictators and rulers through the ages have learned that their power never will be secure until the farmers—they call them peasants—are controlled.

In rich and highly industrialized United States, a socialized state, with each individual regimented and Washington dictating and controlling his livelihood, never will be perfected until the farmer is brought into line. That is the condition toward which the Department of Agriculture has been headed for 17 years. Its officials may deny such ambitions but the facts give the answer.

Figures do not show the farmer's dominant role in the nation's economic, social and political stability. The farm population is less than one fifth of our total and produces only eight per cent of the net national income. But, like the human heart, it is the most vital part of the body politic. Unless heart and agriculture function smoothly, all else stops.

The farmer produces the food, the first essential for life. Without it the individual dies and a nation wastes away. The farmer by nature and environment is a self-reliant individualist. He adjusts his crops to local climate and soil and depends on his own judgment to meet nature's changes or to determine his methods or hours of work. Convinced him that he should accept push-button control from Washington is a tough job, but Agriculture is progressing in that direction.

Many were still hailing the Russian revolution as an altruistic achievement for the common man when the Agriculture Department, in 1933, started conditioning the farmer for the controls that had developed in the Soviet Union. The revolution which the Communist Party, or Bolsheviks, later took over and labeled with their name, had been started by the peasants. While their sons were away at war and authorities otherwise occupied, peasants booted out their landlords and divided the acres. Without



THROUGH a steady flow of rules and regulations, the farmer is being driven down the road to a form of socialized agriculture reminiscent of the Soviet. Here's how it is being done

the peasants, czarism collapsed and what was called the "workers, peasants and soldiers republic" followed. Today the soldiers rule the country while the workers and peasants obey—a natural evolution that may be a warning for us.

After the appointment of Henry A. Wallace as Secretary of Agriculture in 1933, the Department, which in the 44 years since its creation under Pres. Grover Cleveland in 1889 had accomplished marvels in improving agriculture through advice and assistance to the farmer, experiments and new crops, started telling the farmer what he must do. Names and faces have changed since then and the Soviet Union has lost its roseate popularity, but the Department, with programs modified to suit the times, has continued steadily toward a socialized agriculture under government control.

The Department's substantial services to the farmer have continued. If Washington actually becomes the big, boss farmer of the nation, the farms will be good ones. That is more than the Soviet Union can show after its years of regimentation.

In the early years of the Wallace tenure, the councils of Harold Ware were heeded in the Department until his death in 1935. Ware was an outstanding farmer, also a charter member of the American Communist Party. His mother, Ella Reeve Bloor, a dynamic little woman known as "Mother Bloor," was famous as a labor agitator. Ware was invited to Russia by Lenin and spent ten years introducing mechanized farming and establishing immense collective farms. He returned, to be idolized by his clique as a past master of farming fact and theory.

Lee Pressman, who recently informed a congressional committee that he was a Communist at that time, and Alger Hiss, even better known, were assistant general counsels of the Agricultural Adjustment Administration, now known as the Production

and Marketing Administration. Pressman stated that Nathan Witt, John J. Abt and Charles Kramer, known to some as Charles Krevitsky, were communist comrades in the Department.

C. B. (Beanie) Baldwin was a power in the Farm Resettlement Administration, which later became the Farm Security Administration and now is the Farmers Home Administration. He rose to Assistant Secretary and, after leaving the Department, was an assistant chairman of the CIO's Political Action Committee. He managed the Wallace presidential campaign in 1948 and continued as national secretary of the Progressive Citizens of America when Wallace ditched his party after the Red invasion of Korea.

Charles F. Brannan, Secretary since June 2, 1948, got his first taste of farming in 1935, when Secretary Wallace appointed him an assistant solicitor in the Denver FSA office. Before that he had practiced law for six years. He and Arthur M. Hyde, Secretary under Pres. Herbert Hoover, are the only ones without practical farm experience among 14 who have held the office. Secretary Brannan also is the conspicuous survivor among the up-and-coming young men of the Wallace days.

Also active in a department which proclaims itself the loving friend and helper of the farmer was John Franklin Carter, later well known as a columnist and commentator under the name "Jay Franklin." He was director of information for Rexford Guy Tugwell who, as Under Secretary, was second only to Wallace. Carter qualified as an agriculturist, of sorts, through a book, "What We Are About to Receive," which he wrote in 1932, two years before he joined the Department.

"The farmer has arrogated to himself all virtue and all knowledge," Carter wrote. "He has planted prohibition in our vitals, he has voted against progress, against civilization, against the city, against science, against art. He has made and unmade Presidents in the image of Main Street. He has exhausted our soil as he will exhaust our treasury if given half a chance. He is the great obstacle to human progress, the great threat to political stability. Sooner or later we shall discover . . . that the landed proprietor, the *kulak*, is simply so much mud on the path of progress and must be swept aside if society is to advance.

"The farmer is a bad winner and

a rotten loser and deserves about as much sympathy as any other man who feels that it is the Government's duty to pay him for being kind enough to exist."

Carter left the Department to become a ghost writer for the Administration but the socialization of agriculture, begun in the years when he was expressing a frank opinion of the American farmer and in the years of the farmer's deepest trouble, still goes on.

The Soviet steps, as shown in their present program in occupied countries, are: 1. Oust the original landowners; 2. Divide the acres among tenants and party followers; 3. Force the new owners into a government collective farm.

As most farmers already own their land, we can skip the first step in the Soviet agricultural pattern and not hang American *kulaks* on their own apple trees or march their families into exile to get acres for the toiling peasants.

Though forcible police methods cannot be applied in the United States, our Department of Agriculture cherished a similar though gentler program, certainly as late as 1941. In that year, Director Baldwin expounded to his Farm Security Administration workers in Columbus, Ohio, a plan for redividing the country's farm land into small family-type holdings.

Under this plan, the right of public domain would be granted the Government "as a means of securing the subdivision of large landholdings into family-type farms." Instead of being dragged out of his home, the landowner would be served with a court order in the American way—less brutal but just as effective. Also, under this plan, the Government would not dispose of any land which it now owns and would acquire as much more as possible. These federal tracts could be converted into government farms. These would grow bigger while destroying the big independent farmer. The advance into the third step with the family-type farms, new and old, consolidated into collective farms—we'd call them cooperatives—would be easy. In the end, the Government would be the only farmer.

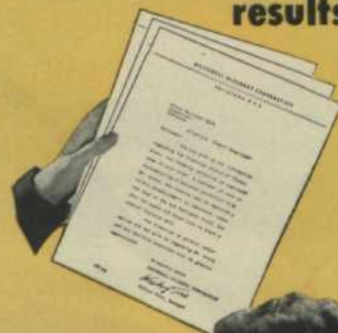
As Wallace and his group disappeared from the Department, this drastic program for making over the rustic face of America faded out, but only to return in new dress and ornaments. Secretary Brannan's formula for trimming down the big farm is more adroit, less abrupt. In the meantime, federal

(Continued on page 58)

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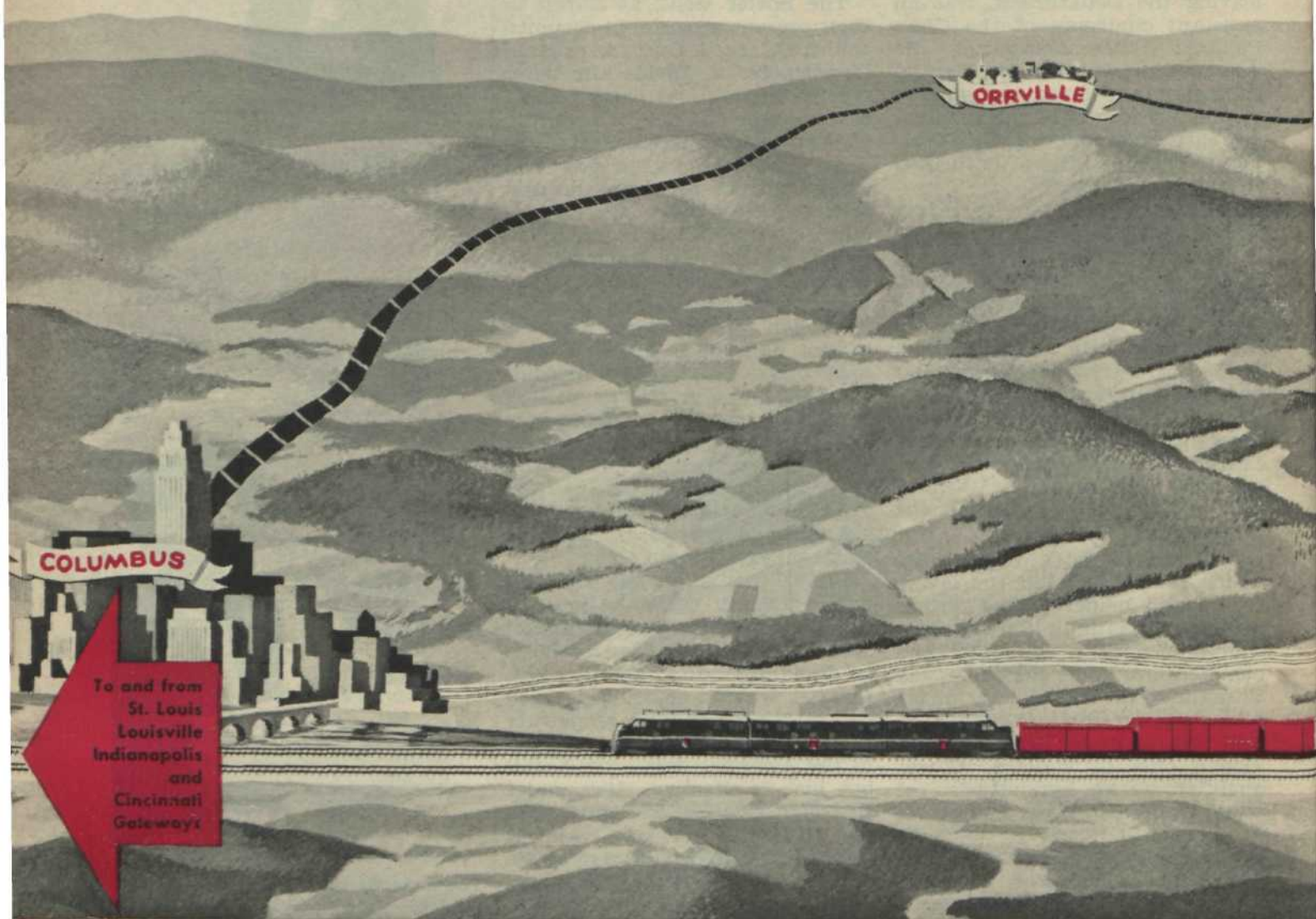
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for biggest box cars and the big, oversize open loads!



controls over the farmer's planting, harvesting and marketing increase with each passing season.

The Supreme Court has upheld the Government's right "to regulate and control that which it subsidizes." For the farmer, that means federal controls go hand in hand with price support for a crop or commodity. The Secretary of Agriculture with a staff of some 105,000 state, county and community committeemen in farm areas, is the supreme arbiter. Before World War II, each state's three to five committeemen were elected by the farmers. They are now appointed by the Secretary. As they control ten per cent of a

state's allotment, elected county and community committeemen are dependent—another tightening of government control.

How such controls and regulation of farms are inseparable from support of crop prices or unending debate over percentages and payments is the diverting smoke-screen behind which the farmer is goose-stepped into socialized agriculture. Price support now means that the Government will finance a crop at a price not exceeding 90 per cent of parity, parity being computed on the farm cost of living for specified previous years. Congress decides that certain crops will be supported. The Secretary

can add others, fixes the parity percentage and imposes the controls. Controls in the price-support program—they have no relation to controls in soil conservation and other programs—are in four classes with many variations for particular crops or conditions.

The financing, purchases or loans, is done by the Commodity Credit Corporation, second only in size to the Reconstruction Finance Corporation among half a hundred government corporations. CCC has an authorized borrowing power of \$6,750,000,000 to carry out price support.

Acreage allotments, stating how many acres a farmer may plant, are the most used control. An allotment may be a hardship or a blessing, taking or giving acres. An allotment may be more valuable than the land itself. Real estate dealers and land speculators as well as farmers are applicants in seasons of government distribution.

In North Carolina, with its burley tobacco fields, an allotment is rated at \$1,000 an acre. The speculator who receives one can thank the Government for a quick profit. It is not as easy for the farmer who puts the land to use and must accept the controls that go with it. The tobacco allotment may be for a trifling part of a farmer's total acreage, but he must obey Department rules for soil conservation and other practices for all other crops. The Government becomes his farm manager.

When a surplus threatens, the Secretary can cut allotments for a commodity. An allotment is to a farm, not to an individual. So the fun starts. In burley tobacco, for instance, the law does not permit reducing an existing allotment below nine tenths of an acre. Farmers, each his own "barnyard lawyer," foresee a coming cut. Wives, children and relatives are rallied and each is given legal title to a fraction of the old homestead and its total allotment. A family combination of ten is sure of nine acres. One North Carolina county had 850 burley allotments in 1938; 2,400 in 1950.

This year, Rep. Lindley Beckwith polled the Brannan committeemen who distributed the latest cotton acreage allotments in Texas. Bell and Van Zandt counties reported that about one tenth of their applicants were genuine farmers, the others wanting an allotment to add to the sale or rental value of the land. In Newton and Angelina counties some allotments were

Rules Put on the Farmer

BASIC controls which the farmer must accept to obtain price support under the law of Rep. Clifford R. Hope of Kansas and Sen. George D. Aiken of Vermont, as amended by the act of Sen. Clinton P. Anderson of New Mexico:

1. Marketing quotas—specifying the quantity each grower may sell. In 1950, these were in effect only on tobacco, peanuts and upland cotton. A farmer who sells more than his quota is fined under a complicated schedule of percentage deductions from receipts, differing for each commodity. The Secretary can proclaim a quota for any commodity but it does not become effective until approved by two thirds of the voters at a referendum in the producing area.

2. Acreage allotments—limiting the area a farmer may plant, as when the Secretary fears a crop will exceed domestic and export demands plus 15 to 30 per cent storage allowance. Allotments are on all storage crops and the Secretary has proclaimed them and marketing practices on many others. The usual penalty for excess planting is forfeiture of 50 per cent of the support price. A "pin hooker" (tobacco argot for bootlegger) who has not paid the penalty is liable to \$1,000 fine or one year in jail. Excess acreage for one crop may not deprive a farmer of support for other crops. If the owner of several farms exceeds his allotment for tobacco or potatoes on one, he forfeits support for that crop on all farms. If he violates it on wheat or other basic crops, he does not lose support for his other farms within the total allotment.

3. Marketing agreements—the voluntary contracts between one farmer or a group and the Secretary for specified areas and commodities. They are exempt from the anti-trust laws.

4. Marketing orders—a rigid form of agreement where the Secretary enforces an order which fixes prices, quality, quantity and where the commodity may be sold. Milk orders are in effect in some 35 city areas and others apply to certain fruits, nuts, soybeans, hops and honey. The Secretary can start civil action against a violator for either an injunction or civil damages or criminal action for a \$50 to \$500 fine for each day's violation.

only one tenth of an acre, while in Hill County, one third of those receiving less than five acres quit growing cotton and one tenth of those who lost out quit farming.

"I was allowed two and two tenths acres for cotton," a farmer wrote. "I kept off WPA and lived hard in 'Hoover days' but only two and two tenths acres out of my 30 forced me on the soup line. I'm too old now to get a job and didn't go to school long enough to get a 'position' and my rheumatism's too bad to dig ditches with a pick and shovel."

"If this farm program were put on a sane and sensible plan without the fiddling, dillying, measuring and all the silly stuff telling a farmer how much of each crop he is allowed to plant, it could be handled with one fourth the number of helpers and save millions," wrote another, adding a hope that the "whole program will be junked" unless quickly improved.

Though few may see a finished picture of the Department's drive toward complete socialization of agriculture, more and more farmers complain as their acres are put under increased government controls. Price support gives the farmer a satisfying sense of security while its controls destroy his right to manage his own farm. As he looks at the national picture, he sees a government building up surpluses whose weight, unless absorbed by wars or other disaster, will swamp him with controls.

The farmer also realizes that payments depend on changing sessions of Congress and the discretion of a Secretary of Agriculture. He sees himself a pawn of politics as government power spreads over his livelihood. The Secretary of Agriculture can manipulate price supports by deciding when to buy or not to buy. Suspension of buying before the last two national elections — soybeans, corn and grain storage were involved — which are said to have profited speculators and cost farmers millions — were interpreted by congressmen as a warning to the farmer that his vote also is under control.

One farmer or several hundred cannot speak for the 5,970,000. Their farm organizations can. The National Farm Bureau Federation (1,435,000 members) and the National Grange (850,000 members) are for a flexible price-support program based on supply and demand and are opposed to the Brannan Plan. The Farmers Educational and Cooperative Union (450,000

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1972

1973

1974

1975



Concrete masonry house, Toledo, Ohio.



Aurora Avenue, Seattle, Wash.



University of Maryland farm, College Park, Md.



Callahan County Hospital, Baird, Tex.

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members) supports the Agricultural Department program in all weather.

The farmer chafes at the shackles which price supports put on his freedom but accepts other controls as fair and necessary. Farming is big business with \$105,000,000,000 invested in realty, crops, livestock and machinery and \$22,000,000,000 more in cash and banks. The Government, like private institutions, makes loans to buy farms, stock and seeds and to improve property. It writes crop insurance and makes direct payments to farmers who follow a soil conservation program. Like any other creditor, the Department enforces approved farming methods—fertilizer, contour plowing, terracing, drainage, livestock inoculation, insecticides, and crop rotation.

The Department conducts experimental farms, its experts roam the world collecting animals and plants, and it is the nation's most prolific publisher.

Thus, while the Department wins good will through constructive assistance and advice, the program to regiment agriculture moves steadily forward. In hill-billy slang, the taxpayer and farmer "Ain't seen nothin' yet." Secretary Brannan now carries the torch of the former Wallace group to socialize the farmers.

His "Brannan Plan" outlines what may lie ahead for the farmer, consumer and taxpayer. Introduced by Sen. Elmer Thomas of Oklahoma, it sleeps in committee but is not dead. If it becomes law, government control of every farmer will be absolute—what he plants, how he farms, even how he must spend a goodly portion of his cash income. Fifteen of the bill's 86 pages enumerate penalties on farmers and more pages are bad news for dealers. If the farmer does not keep books and make reports, he can be fined \$500. If he makes a false report—even veteran bookkeepers make mistakes—the fine may be \$1,000 and a year in jail.

In distinction from the present price-support program, the Brannan program is called production payments or income supports. The farmer will sell a crop on a competitive market for whatever it will bring. The consumer will buy it at the same low price with additional costs for distribution and handling. The Government then gives the farmer a check for the difference between what he received and 100 per cent of the parity price for the crop, not 90 per cent as at present.

Parity would be the average for the first ten of the preceding 12 years.

The Secretary has not said how much this plan will cost but others estimate from \$5,000,000,000 to \$12,000,000,000 in added taxes. The consumer will pay his share of taxes from his portion of fictitious savings and the farmer will pay his from his fictitious profits, the Government taking back its presents from both and loading the farmer with controls to keep him from producing too much.

Farmers, good business men, already see loopholes as in the potato program. One native son took as an illustration two farmers on opposite sides of a road who raise a few hogs for home consumption, not for market. It could apply to other supplies for farm consumption. Instead of feeding his hogs what is raised on his own farm, each farmer drives across the road and buys his forage from his neighbor at the market price. The Government pays the seller the difference between what he got and the income support price. The pig eats the feed and the farmer has it, too. That is, he has the cash equivalent.

The plan has new controls to

to \$20,000 of a farm's receipts. A farmer would trim his acres to that income. This was replaced by a "comparative unit" computation of income which also seems headed for discard. In all plans, as in present price support, the farmer is hobbled with controls that balk rational supply and demand.

The value of ten bushels of corn is the unit in the new Brannan currency. A farmer receives income support for not more than 1,800 units. If corn is \$1.35 a bushel, he would get support for 18,000 bushels, or up to \$24,300. With wheat at \$2, it would be 12,500 bushels, and so on for other crops and livestock but not more than \$24,300 for all crops on one farm. The Secretary would designate the crops and acreage of each.

The farmer has no assurance that this will continue. When the national treasury starts scraping bottom, Congress will cut the billions for income support. The 1,800 units will shrink to a smaller number per farm. The efficient or so-called big farmer who has been producing at low cost up to the 1,800 limit is trimmed while the small farmer who never got to 1,800 units is not helped.

Secretary Brannan says his plan will provide income support for 98 per cent of America's farms. The two per cent out in the cold include the big farms and ranches, which each year produce many times two per cent of our farm wealth.

Farm statistics, like others, can give a distorted picture. The Census Bureau rates the average yearly income of one sixth of American farms at \$17,500; another sixth at \$7,500; one third at \$1,600, and a final third, or 2,000,000, at less than \$500. The Bureau defines three cultivated acres or a piece of land returning \$250 a year as a farm. Thousands of such "farms," politically lumped to show the sad state of the farmer, are garden patches where city workers or retired plutocrats putter around for the fun of it.

Merits, methods, costs and operations of any national farm program are important, but back of all these is the drive toward state socialism where the Government will be the only farmer and the farmer of today a mere worker in his former fields. The farmer already has marched a goodly distance down the regimented road which leads to complete socialization of agriculture. It is not too late to halt and decide whether he or the Government is to boss his own acres.



eliminate the American *kulak*. Putting the big farmer out of business has vote appeal though experience in other countries proves it uneconomic. Mexico tried it. Thousands of newly established little farmers raised only enough for their families. Russia tried it and the big collective farm was the solution with government, instead of an individual, as the operator.

The Brannan Plan replaces the proposed public domain seizures with cash register tests. At first, income support was to be limited

Revival on the Merrimack

(Continued from page 45)

stock in his company. Of course, not all their bets paid off. But Moreau and his associates, in the Yankee tradition, didn't make many mistakes in their appraisal of men.

Since there were still many people without jobs, Amoskeag Industries decided to go into the cotton business itself. It made a contract with a New York selling house to handle the product. The operation was such a success that the New York house bought the mill and took over its operation. Amoskeag used the proceeds to open and operate another mill. In all, four mills were thus opened and ultimately sold at a profit.

Today, 15 years after the death of the old Amoskeag Manufacturing Company, Manchester is again a prosperous city. Where once there was one company, 126 independent enterprises now are thriving. Some plants employ 1,000 men and women, some employ ten or 12. Some are national companies like U. S. Rubber; Sears, Roebuck; Johnson and Johnson; others are small, locally owned concerns. But the total payroll surpasses that of the old company at its peak.

Manchester, with its 80,000, has a payroll income of \$72,000,000. For years, unemployment has been less than ten per cent. Bank deposits are high and city finances are good. Incidentally, the people who invested in Amoskeag Industries came out all right financially. Anybody who invested \$1,000 has received \$1,360 in dividends, and still has his original investment.

What impresses an outsider is the modesty with which the people seem to regard their achievement. This hasn't been an easy article to write. The facts had to be dug out—nobody came running with them. These Manchester folk seem to take it as a matter of course that they should have bestirred themselves to save themselves—instead of giving up in despair or running to Washington for help.

There is some patronizing talk today of New England as a "blighted area." But Manchester has proven again that New England's real strength lies in the character of its people.

It would be, perhaps, less than wise to talk of "poor old New England."



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Velvet Gloves on Capitol Hill

(Continued from page 39)

Civil War committee and realized that its conduct had been preposterous.

As Mr. Truman started looking into the military installations in his home state he was appalled by the inefficiency. Driving in his own car, the future President visited camps in Maryland, Pennsylvania, New Jersey, Tennessee and other states. Men were being trained with dummy weapons or none at all, exorbitant sums were being paid for lumber at the cantonments under construction, and either too few supplies were received or so many that they rotted under the sun and rain.

The Truman committee reports, 40 in all, received the unanimous approval of his colleagues. And a conservative estimate is that the man from Missouri saved his country upward of \$15,000,000,000.

The President told members of the Johnson committee that they would receive all relevant facts from the armed services. Then he offered some excellent advice.

The committee would find it difficult, he said, not to interfere with tactics or strategy, but if the members fell into this error they would surely fail.

They must face from the start the certainty that in many branches of the services they would meet opposition to change.

The committee heeded the President's counsel. On their part, the defense authorities have been more helpful than anybody anticipated. Few attempts have been made to hide facts behind the screens labeled Top Secret and Military Security. Nonetheless, a principal task of the committee has been to modify the traditional tendency toward conventional thinking and to change the attitude of the military mind which clings to yesterday's ideas.

"Our big job," Senator Johnson has said, "is to get the defense effort away from hardening of the arteries of imagination and ingenuity."

The biggest job, perhaps, was finding a lawyer to serve as the committee's counsel. The committee chose Donald Cook, who, at 41, had risen to be vice chairman of the Securities and Exchange Commission and who had been chief counsel under Johnson in the naval affairs investigation. Cook

started his career with the Securities and Exchange Commission in 1935. He was advanced gradually to more important posts until, four years ago, family responsibilities demanded higher earnings. So for two years Cook practiced law in New York, making a reported \$100,000 a year. Then he returned to Washington and government service with his savings.

Cook works for the Preparedness Committee without compensation—nights, week ends, holidays and an occasional few hours when he can leave his regular job. When he concluded his work for the naval affairs committee he was praised lavishly by Rep. Carl Vinson.

"Your satisfaction in a job well done," the Democrat from Georgia wrote, "must come from an inner satisfaction which is not decorated by medals or diplomas or put on parchment paper. We of the committee know that you manned your battle station."

Cook is typical of the nonpartisan staff work of the Johnson committee, and nearly everything in a congressional investigating body depends on the quality of the staff work. Horace Busby is administrative officer. Lyon Taylor is chief investigator and Walter Jenkins, although actually on the Senate staff of Lyndon Johnson, helps with the preparation of reports which will be issued monthly. The committee is receiving active help from such men as former Secretary of War Robert P. Patterson and Maj. Gen. Robert M. Littlejohn, who was Gen. Dwight D. Eisenhower's Quartermaster General. Neither receives any pay.

Few congressional reports have been greeted with anything like the approval which met the initial one of the Preparedness Committee. Its basic job, the document began, was "to accelerate, in and out of the Government, the slackened tempo of the postwar period to the pace realistically called for by world events." The nation, the committee said, was demobilizing on the one hand and mobilizing on the other. Surplus plants, for the manufacture of rubber and other essential war goods, were being offered for sale by one agency while a second sought funds with which to build new ones.

The committee did not mince words. Inquiry made to the Air Force regarding an unwise sale of

propellers resulted in a "polite brush-off."

"Each of the three military branches," the report went on, "seems to have virtual autonomy in respect to its property needs and the determination of what is excess."

Among the most glaring errors to which the committee called attention was the delay in stockpiling natural rubber. The synthetic variety, valuable as it is, does not fully meet wartime needs. All but a fraction of the natural rubber has to be shipped from the Far East, with the ever-present danger that the supply line will be cut again. While the defense authorities were stalling in the purchase of rubber, its price jumped from 20 to 50 cents a pound.

"We cannot subscribe," was one committee conclusion, "to the apparent belief of some, both in government and industry, that the course that lies ahead for the nation will be either cheap or easy."

The Johnson committee has mapped out a program that will keep its members and staff busy for months—if not years—to come.

"Our vision must extend beyond Korea," the Preparedness Committee has warned. "It must be realized in all the disposal and planning programs that we face the distinct threat of a war of attrition, in which the total resources of the nation must be kept constantly available."

In the course of its official life the committee will examine all phases of the defense problem. It will look into steel production, the bearing of foreign monopolies on the cost of the American munitions program, critical materials, manpower, food and agriculture, ordnance supplies and their development and our Alaskan defenses.

Two "task forces" already are concentrating on ordnance and the Alaskan situation. Chairman Johnson is directing the ordnance survey. Senators Hunt, Saltonstall and Morse went to Alaska in October to study troops and their equipment, housing, roads, communications and airfields. It is not unlikely that the safety of the United States may hang on the thoroughness of the job they do and on their findings. Prior to the end of World War II, Secretary of War Patterson often said to his intimates:

"Japan would never have attacked Pearl Harbor had we established strong, offensive air bases in Alaska and down the Aleutian chain."

Santa's Sideline of Lights and Baubles

(Continued from page 36)

straight, just so long as they're evenly spaced. Place your ornaments close to the lights—they don't conflict but, on the contrary, complement one another. When you come to your finishing touches with tinsel and the like, don't throw it but place it one piece at a time.

White-haired Carl Metzler, vice president of Max Eckardt & Sons, who has been deep in ornaments for three decades, advises assorting your ornaments according to color before you begin trimming, so that you won't have sections of all greens or all reds.

Daniel S. Jacoby, Shackman's president, warns not to underbuy. It is difficult to gauge how much ornamentation a given tree requires, and the reason there is always such a last minute rush of buying is because practically everyone underestimates his tree size.

Harry Heim, who last year decorated the tree on the White House lawn, is not of the larger-ornaments - at - the - bottom school. If they are placed that way, he maintains, a tree looks too symmetrical, so he advises to start trimming at the top, with your larger balls, and place them at intervals all the way down. Continue similarly with smaller and smaller balls on the inner parts of the branches.

Your long ornaments should likewise be graduated downwards in size from the top to the base branches and should be placed on the outer edges. He also recommends careful placement of your final trimmings which, if icicles, should be hung up to one or two inches from the outer limb; but unlike Jacoby, he cautions against having too many ornaments rather than too few.

Obviously, as in other fields, the experts disagree on some points, so you can take your choice of which one's principles you want to follow. Or, as a veteran tree trimmer, you can go ahead and do just as you've always done, whether by your own family system or sheer hit-or-miss. In any case, to the adults and children in your family it will be the most beautiful tree you all ever had—in fact, the most beautiful that ever gave anyone, in or out of the Christmas tree trimmings business, a Merry Christmas!

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Lives Saved by Screening

WHILE THERE always will be a welcome sign out for new cures for disease, it was Dr. Herman Bundesen, president of Chicago's Board of Health, who recently put the issue into plain words.

"If there were never a new discovery in medicine, there is enough unused knowledge already at hand to save more lives than a cure for cancer."

Now a way to put that knowledge to use has caught the imagination of public health administrators and medical practitioners. Only a year or so old, it is already saving lives in a number of communities ranging in size from Richmond, Va., to rural areas in Alabama.

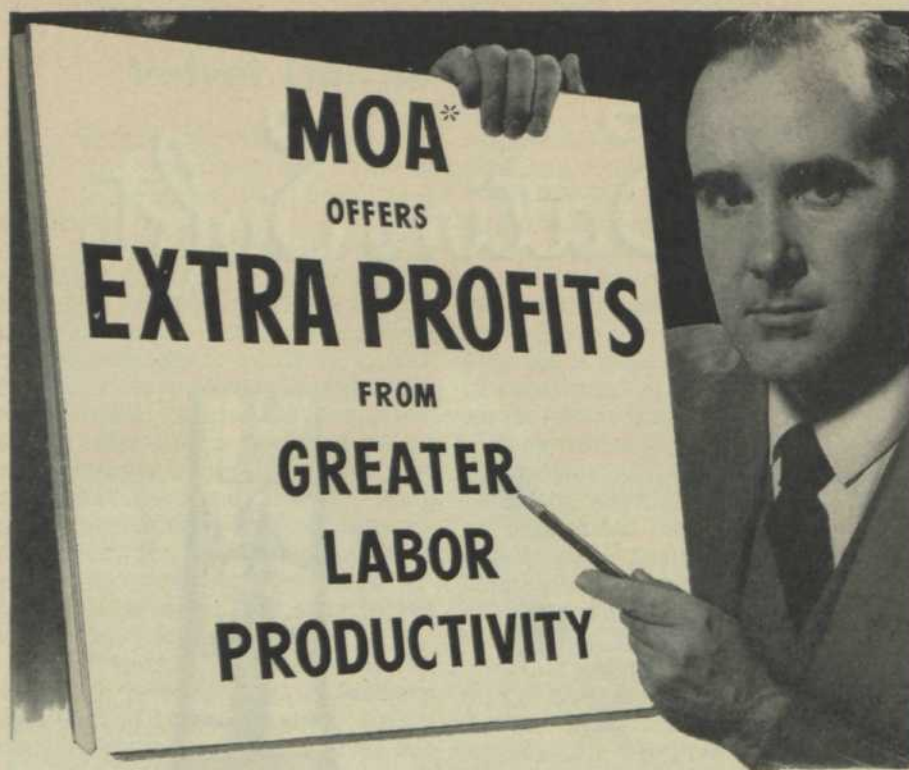
It's practical, simple, adaptable to any and every community. The new development is called by many names: multiphasic screening, multiple screening, screen testing. But, under any name, it's just this: A series of tests, given all at once, in half an hour at most, which help uncover a wide range of previously unsuspected chronic diseases.

"Catch 'em early and you can cure 'em, save lives, save invalidism, save money" applies to diseases ranging from diabetes to heart trouble and cancer. But the catching hasn't been practical. In recent years, whole communities have been alerted from time to time for screening tests for single diseases—for syphilis, for instance, or for diabetes, or tuberculosis. But the single test process is costly, and after one campaign, succeeding ones often come a-cropper against public lassitude.

Multiple screening overcomes all this. It takes little more time when you're reading a chest X-ray for t.b. to read it for heart disease and lung cancer, too. When you're doing a blood examination for syphilis or for diabetes, you can, with little more trouble, do it for both and for anemia as well.

On Sept. 29, 1949, Dr. W. H. Y. Smith, director of Alabama's Bureau of Preventable Disease, heard about multiple screening while attending a medical meeting. Five weeks later, he was swinging into action with a program that covers 500,000 people a year.

He made arrangements to have chest X-rays read at Montgomery for heart disease, worked out a



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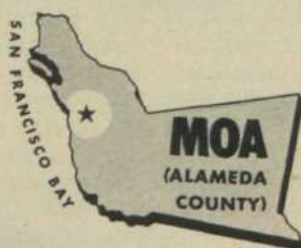
HERE are facts for the expansion-minded executives who seek high labor productivity as one factor in profit-making branch plant operation.

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*MOA stands for METROPOLITAN OAKLAND AREA, includes all Alameda County (pop. 733,999). Map spotlights San Leandro, one of many uncongested industrial areas. Its advantages to industry: wide variety of level sites in and out of city limits; large supply of skilled labor, and exceptional transportation; Freeway, fine highways; 2 mainline railroads, 3 minutes from Oakland airport.

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method for testing 5,000 blood specimens a day for blood sugar. With publicity in advance, he swings into a county, spends two weeks, gets 80 per cent or more of the people out.

Results? In Coffee County, for example, 15,257 were tested. Discovered: definite t.b. in 29, suspicion of t.b. in 283; heart conditions in 138; syphilis in 517; diabetes in 361.

And the cost? Just 69 cents per capita.

The Richmond story is similar. After hearing of multiple screening, Dr. Ed. Holmes, city health officer, got approval from the Academy of Medicine, two medical schools, the State Health Department and the local Board of Health. In December, 1949, he ran his first test; one month later his program was under way—five days a week.

Tests done: chest X-ray for t.b. and heart disease; height and weight; blood pressures; blood tests for syphilis and diabetes; vision and glaucoma tests; electrocardiograph.

Speed: one person every three minutes, 6,000 per month.

Other programs are under way in Boston, Indianapolis and Atlanta. Chicago is well into planning stages.

Some authorities think—a little facetiously, perhaps—that multiple screening may be popular because many people have been becoming bored with t.b. and syphilis and are looking for new diseases to worry about. More seriously, other authorities suggest that people are beginning to realize that they're getting older and can expect more hypertension, heart disease and arthritis.

Although it's under medical supervision, nonmedical technicians do most of the work, with volunteer helpers participating. The idea is to uncover suspicious cases, then let private doctors make the final diagnosis and begin treatment.

Obviously, the average citizen is a sure winner. And as a taxpayer, he comes out well, too. Early detection of chronic illness cuts down the number of days of hospitalization and medical care required, and so lessens the financial burden on public agencies which have to provide facilities for the indigent.

As the U. S. Public Health Service puts it: "Multiple screening is a logical first step into the whole field of chronic disease control... and it works."

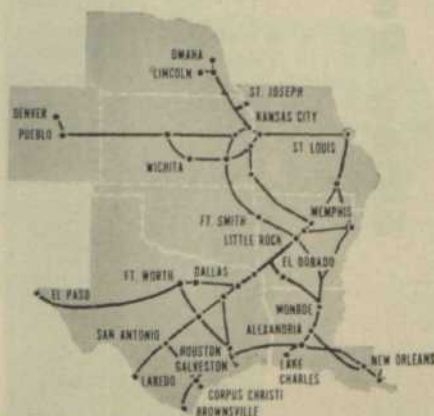
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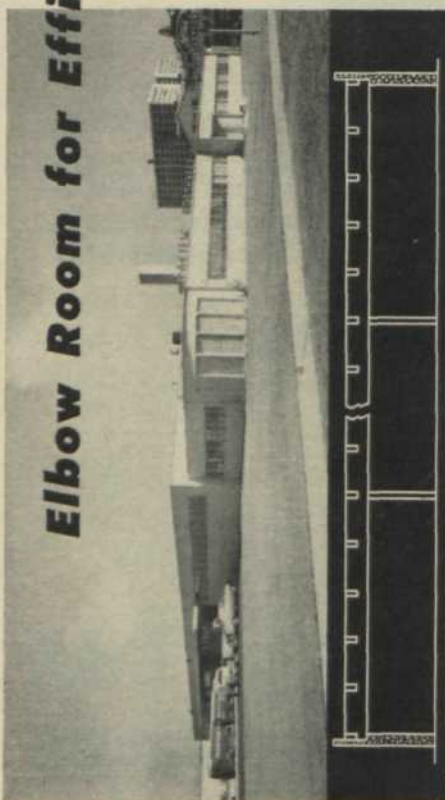


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The York "Plan" Starts Again

(Continued from page 33)

ent establishments, it discovered 1,400 valuable machine tools, many of them not known to exist except by their owners. It found skilled mechanics who had been deflected to other lines of labor by the depression, including a postman who had been a lathe expert.

Questionnaires were slightly less numerous in York than in Washington itself. One survey asked employers to list their skilled and semiskilled employees, their trades and occupations, the machine tools they operated and their experience. Employees were asked to fill out a transportation survey, which inquired where they lived, whether they took a bus, car, train or walked to work, whether they pooled their cars (if they had cars), how many miles they had on their tires or whether the tires were worn out.

Bill Shipley, meanwhile, was serving as the city's ambassador at home and abroad.

In one Pennsylvania town, he explained how York's manufacturers pooled their resources to get prime contracts. "Won't work here," he was advised. "When one of our boys gets a juicy contract, he pulls down his shades and won't talk to anybody." At another meeting in New York, the toastmaster introduced Shipley with this bland remark: "Well, Mr. Shipley, you must have had a slogan to make your plan work out so well. What was York's slogan?"

Shipley recalled the moment later. "We didn't have any slogan then," he said. "We'd never even thought of a slogan. But I was on the spot and had to think fast. Then an idea hit me and I said: 'This is our slogan—Do what you can with what you have!'" The Rotarians pushed back their apple pie and applauded.

At home, Shipley and his colleagues were carrying the battle to the community. Before his fellow industrialists, Robert P. Turner, then president of the Manufacturers' Association, declared: "Sacrifice of time, business methods, confidential plant procedure, costs and profits must all be thrown into a common pool from which we hope to draw a new concept of national effort, community cooperation and civic pride...."

"Your hours of work will be interminable," he went on, "and your days will never end because

your problems will follow you home to haunt you as you eat and sleep. And, finally, when your plant has been running 24 hours a day, seven days a week and production has reached a peak, everybody's nerves will be frayed and on edge. Then you can call your tired workers in and say: 'Boys, we have done a pretty good job. Now we can all sit down around the table and get comfortable while we figure out a way to double what we have been doing.'"

The same eloquence was applied to York's labor unions and, for the first time in the city's history, labor leaders entered the Manufacturers' Association building. Shipley advised them: "We fully realize that if your right to organize and to bargain with us should be abrogated by the edict of a foreign dictator, then our right to own and operate our factories will terminate by the same edict.... After the fight is in the bag, we shall find to our joy that we have preserved, intact, our American birthright to throw bricks at each other in peace."

Less from eloquence than working together, labor leaders and industrialists began to understand each other better. Alvin Eshelman, vice president of his district of the American Federation of Labor, and Ed Hirshman, of the Chamber of Commerce, rode together to Reading, Pa., to discuss the York plan before Reading manufacturers. The latter took several heavy swipes at labor. Eshelman recalls that he got restless and was about to stomp out of the room. "Take it easy, Al," Hirshman advised him. "I'm getting the floor next."

"I rode here with labor," Hirshman told the Reading industrialists, "and I plan to ride back. Up 'til now, we used to stay on the opposite side of the street from labor in York. But now we cross the street to shake hands and talk things over. If it weren't for the labor boys, there wouldn't be any York plan."

By working together, York's industries converted to war production and turned out an astonishing array of gun mounts and carriages, trench mortars and machine guns, powder presses, projectiles, powder mixers, airplane targets, and supplies and equipment for cargo and supply vessels, submarines, naval bases, Army camps, hospitals and

arsenals. The S. Morgan Smith Company converted from turbines to Long Tom gun mounts. A. B. Farquhar switched from agricultural machinery to powder presses, assisted by the York Ice Machinery Corporation, which had a large horizontal boring mill that Farquhar didn't have and couldn't buy in wartime.

The final triumph of the York plan came from its "bits-and-pieces" program, conducted by balding, bow-tied Henry Schmidt, head of the Schmidt and Ault Paper Company. In its survey of machine tools, York discovered hundreds of precision machines in maintenance shops of corporations like the York Caramel Company, the Webster Tobacco Company, the Triumph Hosiery Mills and the Dentist's Supply Company, makers of false teeth.

"We had no idea what York could really produce," says Henry Schmidt, "until we discovered the tools we had to work with. The cigar company had machines that worked with a tolerance of 1/10,000 of an inch. Jack Smethers over at York Caramel was a trained machinist. He simply went back to the maintenance shop and took subcontracts for his lathes, planers and drill presses.

"The Dentist's Supply people—they turn out more false teeth than anybody else in the world—had one of the smallest automatic screw machines in the country. We had an order that needed 1,000,000 tiny firing pins and asked Dentist's Supply if they'd like the subcontract. We gave them the order and thought it would keep them busy for six months. But three weeks later, they said the order was finished and where could they get another order for those nice little firing pins."

At last, what made the York plan work was the exploitation of every tool and mechanic in sight. York, better than other cities, discovered its total resources and put them to work.

Cooperation, the subject of sermons, seldom has been pushed so far in practice.

Today, York is preparing for the unknown, indeterminate future. Its industrialists are combing the labor market for new employees, starting to hire women again.

Bowen and McLaughlin studied a photograph showing American tanks being shipped to Korea. They checked the serial numbers and found they had come from York's newest industry—with the help of the York plan.



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Flight 170

(Continued from page 42)

steadily toward the radio station.

The captain flipped three autopilot switches to their "on" position, slid his seat back, got out and picked up his cap from the shelf over the radio operator's equipment.

"It's all yours," he said to Merriken. "I'm going back to see that everybody's happy." Finucane slipped into the captain's seat as Whitmore stopped in front of the engineer's panel. He noted the pressurized cabin altitude, 2,700 feet, and looked over entries in the engineer's log, listing findings of the hourly visual inspection of the plane and its equipment.

As he walked on back, the captain noticed the navigator handing a periodic weather observation to the radio operator for transmission. The captain adjusted his cap and entered the main passenger cabin. A high school principal from Rochester, N. Y., looked up and got a friendly nod.

"Are they taking good care of you?" the captain asked. They were. "Watch out to the left there," Whitmore suggested. "In a few minutes you'll get a wonderful view of the Nova Scotia shore line."

A passenger from Walnut Creek, Calif., wondered about the plane's speed. It was about 260 miles an hour. The captain moved on.

"Who's flying the plane while you're back here?" another passenger asked. Captain Whitmore settled himself in the adjoining seat.

"I'll tell you," he said. "We've three qualified pilots aboard, and I really don't have to be up on the flight deck at all, except as a kind of general manager."

"I suppose that's what I am—a general manager. Every man in this crew is an expert in his line. That makes my job simple."

"Just now the first officer is flying the ship. He learned to fly in the civilian pilot training program just before World War II. During the war he went through the Navy flight school at Pensacola, Fla., and he's been in ocean transport work ever since. Well, except for a while last year when he helped out on the Berlin airlift. He's checked out as a captain. Just needs more time to move up the list."

"It's about the same story with the second officer. Navy flier during the war. He had a lot of big

flying boat time—patrol work. Then he was out in the South Pacific awhile. Just before he joined us he was a test pilot at Newport, R. I., and now he commands a naval reserve patrol squadron at Floyd Bennett Field.

"Me? Oh I'm Navy, too. Went to Pensacola in 1935, and spent four years in flying boats. Then I flew the New York-Miami run with Eastern two years or so, and came in at the start of American Export, the line that preceded American Overseas [since this story was written, AOA has been acquired by Pan American].

"That was in 1942. Soon after we got started we began flying for the Naval Air Transport Service, mostly on South Atlantic runs. I've been on the North Atlantic since the war.

"Crossings? I've never kept an



accurate count, but probably average about 55 or 56 a year, though."

On the lower deck Whitmore looked around the lounge where Stewardess Steed was serving canapés and cocktails. His next stop was the galley.

"Looks good," he said, as he watched Perrin put a pan of steaks into a broiler. Miss Wilson was assembling dishes on dining trays.

"I'll have to close the bar pretty soon to get this meal served before we land," the purser told the captain.

"Go ahead," said Whitmore, and he went up forward.

The shimmering surfaces of thousands of lakes picked up the last rays of the setting sun as the plane crossed the coast of Newfoundland. An hour later the ship was 3,000 feet above the ground when Captain Whitmore, back at

the controls, called for the initial landing check.

Merriken called it off and Whitmore and Crandell responded. Dead ahead, the swinging arc of a beacon light marked the airport at Gander.

The check list went on.

"Twenty degrees of flaps," the captain ordered.

"Twenty degrees," Merriken responded, activating the wing flaps. Now the twin rows of dull white lights marking the landing runway were visible ahead and to the left. Captain Whitmore began a wide turn to come around lined up with the lights.

"Gear down," he ordered.

"Gear coming down," responded Merriken, flipping a switch at his left.

Three red lights shone on the panel before him, to flash out a second or two later as three green lights replaced them.

"Gear down and locked," Merriken reported.

"Full flaps, please," Whitmore called, as he rolled the plane out of the turn and bore down on the green lights marking the tip of the landing runway. "Landing lights," he added.

"Full flaps and landing lights," Merriken replied as the captain drew back on his throttles. The plane flashed across the green markers, skimmed between the rows of white lights. Seconds later, its flying speed spent, it was rolling on the ground at 125 miles an hour.

Whitmore pushed the control yoke forward. Merriken held it there while the captain lifted the throttles over the closed position blocks, reversing the propellers. He added power and with a roar the big engines brought down the plane's rolling speed.

It was dark when Flagship nine-four-seven thundered off the runway at Gander and headed northeast across the North Atlantic. Passengers dozed in their reclining chairs.

Finucane replaced Merriken in the pilot's seat. The first officer went to bed in a crew berth on the lower front deck.

Whitmore leaned over the navigator's shoulder. Together they looked at a cross-section chart of their route, showing weather on the surface, plus cloud formations and locations.

The Radio Operator, Stempel, switched on a transmitter and sent out an hourly position report, plus weather observed during the past hour and the ship's estimated posi-

tion at the end of the next 60 minutes.

Although the message was directed to Ocean Air Traffic Control at Gander, Goose Bay in Labrador, New York and Prestwick, Scotland, also acknowledged receipt. In traffic control stations and AOA operations offices on both sides of the Atlantic, Flagship nine-four-seven was moved along position boards.

Next Stempel contacted a freighter on the list of ships on and near the flight's path, provided by operations at Gander and checked its position against projections of the surface ship paths the navigator had charted. Then he tuned a receiver for the regular hourly weather reports and passed these over to the captain.

While Crandel dozed in a bunk and Savina monitored engine operation, Dermott scanned his Loran screen. He was making a fix—determining the plane's exact position—by measuring electronically the time it took simultaneously broadcast radio signals to reach the ship from a master station on the southern tip of Greenland, and another station in Labrador.

At the end of four hours Whitmore made his hourly inspection of the flight control chart on which graph lines marked the ship's progress and fuel consumption against expected performance. He noted he had just passed his point of no return—whatever happened now he was going on across. Gasoline consumption was running almost exactly parallel with the charted estimate. Still aboard were 3,500 gallons.

Dawn breaks early over the North Atlantic and passengers awakened to learn that they were two hours from the coast of Ireland. Crandell saw something else—something that centered his attention on the instrument panel.

Oil pressure on the No. 3 engine was fluctuating between normal and zero.

The captain, making the practiced pilot's habitual visual sweep of the instruments, also saw it.

"Pump's failing, or a line's leaking badly," the captain said. "Go back and take a look," he added to Savina. The assistant engineer went back to the passenger cabin and took a seat that offered a view of the No. 3 engine nacelle. Oil blew from the wing's trailing edge behind the engine. Savina reported back to the flight deck.

"Looks like a line let go, captain," said Crandell. "But the tem-



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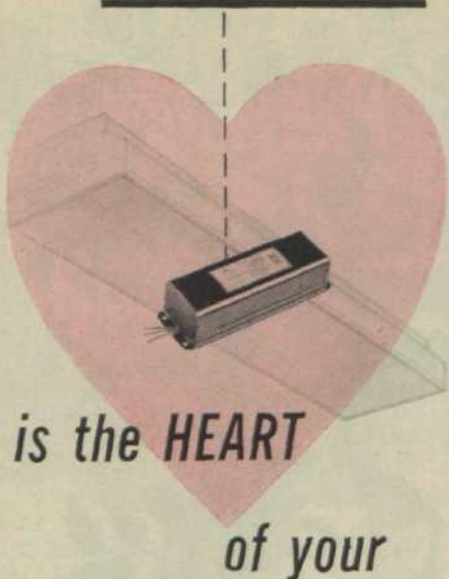
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temperatures on No. 3 still are normal."

"The engine's still good, let's keep it that way," said the captain. "Feather it."

As the big propeller slowed to a stop with its blades turned into the windstream, Crandell adjusted power in the other engines to make up for the loss. Whitmore went back for a look at the feathered prop and its engine.

"No, no trouble," he explained to one of the passengers who noticed the stilled prop. "We feathered that one so we won't have trouble." Performance, he explained, was as good on three engines as on four at the plane's present weight, which had been decreasing 3,200 pounds an hour because of fuel consumption.

Clouds were forming a white, uneven haze ahead and Whitmore was letting down in response to traffic control instructions which came over the radio in a clipped British accent, when Ireland rose out of the rough sea like a rock with an intense green tuft on top.

The usual showers had come to Shannon, and 20 minutes from the airport they splattered the plane's windshield.

Finucane found a drawing of the Shannon landing pattern, handed it to Whitmore to refresh his memory. The captain told Crandell to bring in the feathered engine and while waiting for it to warm up to cruising power he switched on the instrument landing system radio.

As the vertical needle on the ILS dial fell sharply to the left, the captain started an instrument turn. The plane came out of the turn lined up with the landing path.

The vertical needle, by edging off one way or the other, told him when he was to the left or right of the radio glide path. Straight up meant he was squarely on it. A horizontal needle on the same dial told him by moving up or down whether the plane's path was above or below the descending radio path.

There was little movement in either needle. Captain Whitmore was an old hand at low-visibility approaches.

The plane was 600 feet from the earth when it broke through the ragged underside of the clouds. The runway lay about two miles straight ahead.

Half a dozen of the passengers had reached their destination, 11 flying hours from New York. Other passengers went into the administration building dining room, more for exercise and pastime than from

hunger, because, as Purser Perrin had reported earlier: "These people are eating like Old Harry."

The sky cleared while a ground crew replaced the broken oil line, and 90 flying minutes later the plane landed at London Airport. Merriken was at the controls, with Whitmore acting both as co-pilot and supervisor.

In the operations office at London, Whitmore learned that the Frankfurt flight following him had been delayed at Gander. New York wanted him to go on to Germany to pick up the load of waiting west-bound passengers. Flagship nine-four-seven went on.

The next afternoon the plane left Frankfurt for Boston and New York with 41 passengers aboard, and Finucane at the controls. Another 15 passengers were picked up in Amsterdam, Holland.

En route to Prestwick, the international airport near Glasgow, Scotland, Captain Whitmore noticed that one engine occasionally dropped power, then regained it. Crandell discovered that a sticking valve, one of 112 in that engine, was causing the trouble.

"Let's have the boys see what they can do with it at Prestwick," Whitmore decided, after Crandell explained his findings. On the ground an American mechanic with two Scottish helpers went to work. Whitmore stood by as the cowling was removed and the faulty valve located.

"It's going to be pretty late by the time we get it buttoned up," Whitmore told the American Airlines traffic agent. "Better put the folks to bed and we'll leave in the morning."

Buses took the 56 passengers, and three more boarding at Prestwick, to a rambling stone country hotel at Ayr, 15 miles away.

Next morning Whitmore and his crew found that a broad low-pressure area lay centered just north of their course to Gander. It stretched from the mid-Atlantic to the far north. West of it lay another low just like it.

Winds blow counter-clockwise around the center of a low-pressure area. That meant headwinds, in this case up to 90 knots, on a direct or great circle route to Gander. By swinging north, the flight path would take the ship around the top side of the center, and the winds would be on the tail.

"We'd better do that," the captain decided. "And we'll stop in Iceland for gas. So let's hold down our gas load here."

The flight headed northwest out

of Scotland and made for Keflavik, Iceland. At Keflavik the captain brought his gasoline load up to 5,600 gallons, and noted that take-off weight, including 5,151 pounds of cargo, would be 138,848 pounds.

In the operations office in that barren, rocky land, the captain checked the weather maps. With his officers and navigator, he worked out a northern route.

The ship was three hours out of Keflavik, flying at 16,000 feet, when a cloud bank, barely distinguishable from others, became visible on the horizon.

"I think that's Greenland," the captain said to Crandell, who was peering out ahead. "How far would you say we are from it?" Crandell looked again. The ice-capped shoreline was becoming more clearly visible. His guess was 100 miles.

"We'll find out," the captain said. The navigator went to work with his chart and calipers, looked up and said: "That's Greenland all right. But it's 180 miles away."

In half an hour the crew and passengers, 1,620 miles from the North Pole, and far north of any shipping lanes, saw nature at work making icebergs. Thousands of glittering masses of ice crowded the ocean below, fanning out from the mouths of steep-sided fjords.

For an hour the plane droned on, its path 250 miles north of the southern tip of the biggest land mass in the Arctic. Fifty miles beyond Greenland, over open ocean, the ship was turned west of due south. Gander was reached three hours and 40 minutes later—30 minutes ahead of the time a great circle route would have taken.

Three and a half hours out of Gander the lights of Boston rose out of the horizon. As the strato-cruiser lifted off the airport at Boston the operations office in New York was notifying the homes of crew members of the flight's estimated time of arrival.

A young woman and three little girls a short time later sat in a station wagon outside the administration building at New York International Airport, looking up at the sky to the northeast.

One of them spotted the blinking lights of an approaching plane as it swung in a wide descending arc. Two landing lights poked their beams out into the darkness.

"That's Daddy," shouted one of the Whitmore girls.

She was right. It was just past midnight Thursday. The captain had been away since Monday afternoon.



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NB-38

How Big is Russia's Bluff?

(Continued from page 30)

1945, did not impress me as a breath-taking arm of the Red army. The Russians did not have more guns than are assigned to U. S. Army units. The soldiers were so dirty and unkempt that it was hard to believe they would give their equipment the care and attention that big guns need to be maintained in good working order. The Russians depended exclusively on horses to move their guns in sharp contrast to our fast, self-propelled weapons. As far as I could judge, there was no comparison between American and Russian artillery, yet the legend of Russian superiority still persists.

Russian propaganda has been so fiendishly successful because it is the one new contribution they have made to the science of war. Gen. Omar Bradley, chairman of the Joint Chiefs of Staff, is one of the few high-ranking American officers who really understands the Russian application of psychological warfare and, as a result, has not been misled by it.

In the old days, a nation with imperialistic designs furthered its ambitions in three spheres—economic, political and military. Propaganda, as used by the Russians, is the catalyst that makes the three conventional methods work. Communism has been such a dismal flop at home that they can apply economic pressure only on weak, nonindustrial neighbors. Their ruthless political tactics serve only to antagonize and stiffen resistance of people with a tradition of personal freedom. Their army is, to be sure, a terrifying menace; but the Russians will use it only if they cannot gain their objectives by cheaper and quicker methods. They have found such a method in propaganda.

The purpose of Russian propaganda is simple. It is to scare the hell out of the enemy and subjugated civilian populations. This is not a Communist refinement. It is Asiatic in origin and it was an old gimmick when Genghis Khan and Tamerlane were the scourges of the medieval world. The Red army plays on western Europe's atavistic fear of the Asiatic horde by using its Mongolian troops for occupation duty soon after a city is taken. Early in the Russian occupation of Berlin, 230 German girls in the U. S. sector were treated for rape

in an American sector hospital in one day.

Like every foul, noxious force, fear is a double-edged weapon. Fear may paralyze the will to resist Russian aggression, but it has infected the morale and efficiency of those who use it as an instrument of policy. Every high-ranking Russian I've met is, beneath his tough, arrogant veneer, a frightened man because he knows there is no room for failure in the Soviet system. The Politburo dogmatically sets the plan and establishes the industrial quotas and the tactical deadline for gaining the objective. There is no allowance for trial and error. Those who fail to produce in conformance with the plan are removed or liquidated. Witness their frequent purges. The Russian senior officers with whom I dealt in Berlin often worked 20 hours a day—not because they were dedicated to duty but because they were afraid of making mistakes.

One great weakness of the Communist system is this very fear the Russians have unleashed among



themselves to command supine obedience. Their phony propaganda has indoctrinated them so thoroughly in lying and deceit that they wind up deluding themselves.

The first, jarring kick in the teeth we gave the Russians was with the Berlin air lift. When the Russians blockaded Berlin in June, 1948, Marshal Sokolovsky, the Soviet commandant, brashly an-

nounced that we had only three days' supply of food in the city and that we'd be forced out in two weeks. Just for the record, we had enough food to carry our garrison and the German civilians in the western sectors for 36 days.

General Kotikov, Sokolovsky's commander in Berlin, must have known it because it was no secret that we were stockpiling supplies in anticipation of a squeeze play. Kotikov should have told Sokolovsky, but the order had come down from the Kremlin and Sokolovsky did not dare inform his masters that the estimate of our capabilities was completely cockeyed—even before the magnificent air lift went into operation.

The American public realizes by this time that the U.S.S.R. is committed to a scheme of world domination, but we have been kept on the anxious seat trying to measure Russia's industrial potential for carrying out the grand design. Again, that ties in perfectly with their campaign of fear. If the truth must be known, the Iron Curtain is such an impenetrable barrier that our sources of information on Russian production are not worth a damn. That's a serious handicap to us in appraising the situation, I admit, but there is another side of the picture.

In keeping us guessing and playing on our fear, I submit that the Russians themselves don't know what they've got. Sure, they fix quotas, but their methods are so inefficient and the caliber of their labor is so poor that officials falsify records to escape liquidation, the immutable penalty for failure. This is not hearsay. I've seen their lying and falsification at firsthand.

During the bitterly cold winter of 1946-47, Kotikov called in the eight burgomasters in his sector of Berlin and ordered them to bring in wood from the surrounding countryside for fuel. The burgomasters asked for saws and trucks. Kotikov told them that was their problem and curtly dismissed them. The wood was not cut, of course. By way of contrast, we supplied saws and 68 trucks to bring in 168,000 round meters of wood for our sector. Despite our efforts, 2,300 Berliners froze to death in seven terrible weeks. Many thousands more must have perished in the Russian zone, but Sokolovsky probably attributed the deaths to other causes in his report to Moscow. The situation was so desperate in East Berlin that Sokolovsky, after blaming the United States for the predicament and calling me

a liar when I threw the charges back in his face, began to import coal from Poland.

Another insight into the way the Russians do business among themselves: One day, about two years ago, the German manager of a large factory in the Soviet zone came to me with a proposition. Bluntly, he offered to trade black market commodities between the American and Russian sectors. The man was a Communist in good standing and his deal involved such large quantities of raw materials that it was reasonable to assume he had come to me at the instigation of Russian authorities. Restraining an impulse to throw the guy through the window, I asked him why he was risking imprisonment and possibly death to keep his job.

The German shrugged. "I'll get it in the neck, anyway, if I don't meet my quota," he said morosely. "It's so high that I can't get enough material, even by stealing."

After recovering from that revelation, I asked the man why he didn't cooperate with other factories and trade scarce commodities. The man was flabbergasted.

"That's impossible!" he protested. "Factory managers are in competition with each other to make good records. I'm not going to help somebody get ahead of me."

I feel better about American "capitalistic cutthroats," to coin a Russian phrase, when I recall the German's incredulous reaction to my suggestion of cooperation. I feel awfully good when I remember how American commercial airlines, fighting tooth and nail for business, pooled their planes and crews to rush troops and supplies to Korea, how American railroads pooled their freight cars in two wars, how American industry accepted the allocation of raw materials a few years ago.

Estimates of Russia's industrial output are nothing more than educated guesses, but anyone who has seen the Russians at close range has no doubts concerning the quality of their production. It's lousy. A small, but significant, incident illustrates the point.

While we were going through the motions of trying to get along with the Russians in Berlin, I went hunting with a party of top Russian brass. I wore a pair of G.I. combat boots, but the Russkis were tricked out in handsome leather walking boots. A member of the group, a Colonel Yelizarov, looked condescendingly at my G.I. shoes and, making some crack to the

effect that it was too bad the great United States couldn't do better by its generals, said he would give me a pair of handmade boots.

The next day, two Russians appeared at my headquarters and announced that Colonel Yelizarov had sent them to fit me for the boots. This Yelizarov is a big wheel in the Red army and Communist Party. He married a sister-in-law of Lenin, which makes him the queen of the May, or something. Anyway, the painstaking efforts of the Russians clearly indicated they were to do a superspecial job on my boots. They asked me to take off my shoes and socks and proceeded to draw outlines of my feet on a piece of paper. They did it twice to make sure they had it right. They measured my ankle and leg.

Three weeks later the same two jokers returned with a splendid pair of boots. The black leather was gleaming and soft and each nail had been hammered into the sole with precision. They were wonderful boots, except for one slight flaw. The damn things were two sizes too small! I thought the Russians would pass out when they saw the boots were hopeless misfits. They assured me, almost tearfully, that the boots would stretch after I wore them a few times, although they neglected to explain how I could squeeze into them. I gave them a "da, da," but I'll bet they didn't breathe easily for a week.

I can walk into any store in America and buy a pair of size 9½ shoes without giving a second thought to the fit. The Russians spent three weeks on one pair of custom-made boots that were to advertise the Soviet Union and they botched the job miserably.

Those boots are, to me, eloquent symbols of Russia's basic weaknesses—its waste, inefficiency and lack of technical skill. The incentives that stimulate workers in America are absent in Russia because there is no payoff in good wages, possessions and self-improvement. Since 1927, when the first five-year plan was introduced, the Russian worker has been promised the millennium and he still lives in incredible poverty. The Red army has plundered and stripped conquered countries, both to intimidate civilian populations and to bolster the home economy.

In Berlin alone, the Soviet has diverted the entire output of 27 large corporations and 364 of the biggest factories to export to the U.S.S.R., yet the overwhelming mass of Russians are no better off than they were before they began

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making sacrifices for the greater glory of the Kremlin.

The condition of labor in the satellite states is infinitely worse. Applied Marxism ("workers, you have nothing to lose but your chains") has brought the eight-hour day—and the necessity of holding two full-time, eight-hour jobs to keep alive. I met a Swedish business man in Warsaw who was offering \$15 a ton for Polish coal. None was available; Russia was taking all of it and paying the satellite government 27 cents a ton.

Americans pulled in their belts and achieved miracles of production during the last war, and they can do it again. An entire generation of Russians has been squeezed so hard by economic and political pressures that they cannot make an extra effort for war. They can lick us if we try, as the Germans did, to match our blood against theirs, but in our type of war, fought on the assembly line as well as the battlefield, the Russians haven't a chance, and they know it.

The Russians have enormous respect for American technical skill, especially air power, as well they might. During the winter of the Berlin air lift, when the weather was so foul that Russian fighter planes did not dare leave the ground, huge Allied transport planes operated around the clock, sometimes landing in Berlin every 50 seconds. Twenty-year-old enlisted men working the ground control system "talked down" pilots for blind instrument landings with more aplomb and assurance than a Russian general shows in ordering a parade. That's what we have done for our kids.

That's why the Russians have not made their move in Europe, although they could polish off the pitiful Allied forces as casually as you brush off a fly. According to good French sources—usually more reliable than our information—the Russians have 11 armored and 48 infantry divisions ready to roll on 48 hours' notice. In addition, they have 53 infantry divisions that can be in action in 60 days. Opposing them are one and a half American divisions and two French and two British divisions. The Russians, in other words, can go as far as they can walk and stay as long as they can eat off conquered territory.

What's holding them back? Certainly not the attitude of the people in western Europe. The internal pressures Russia tried to foment in 1946 and '47 to seize France and Italy have been relieved, along with Europe's des-

perate economic plight, thanks to the Marshall Plan. Western Europe today no longer is afraid of the wolf at the door—but it fears the bear at the window. Russia has played on that fear until I believe only the British and possibly the Germans will stand up and fight for the same principles we will.

Two things are holding Russia back: The atomic bomb and our means of delivering it. Russia also has the bomb—our traitors gave it to them—and in four years, at the outside, she probably will have a sufficient stockpile and the planes to deliver a sneak attack that might cripple us beyond recovery. I haven't the slightest doubt that Russia will hit us with atomic bombs if we go along with a defensive policy of containment.

The Berlin air lift and Korea settled nothing. We merely reacted to threats without eliminating the source of infection. I want to see us seize the initiative and force issues with Russia on our terms. This is not the same thing as preventive war, although it might precipitate war. That's the calculated risk we must take. If we don't, we'll be embroiled in war anyway, with Russia calling the first shot which, in atomic warfare, may be the last.

How do we seize the initiative and force issues? First of all, by total mobilization of the Army, Navy, Air Force and industry on the assumption that there will be war in four years. When we are strong we should demand outlawing of war. If Russia rejects the proposal, as she did with the atomic bomb, we make it crystal clear that we will take retaliatory measures against aggression and violation of agreement.

The Russians are not bluffing in their scheme of world domination. The death of Stalin or a reshuffling of the Politburo will not change their plans. Nothing will forestall them except the knowledge that the United States is ready for World War III and has a better than even chance of winning it.

I'm not speaking as a military man when I recommend total mobilization. I don't like Army discipline or taking and giving orders any more than a PFC. I'm not popping off like a flannel-mouthed flag waver when I say only a strong, aggressive America will prevent World War III.

I am speaking as the father of four children who wants to see his kids grow up in a free, civilized society. I don't like the implications, but they are infinitely better than the consequences of silence.

A Christmas Party

(Continued from page 48)

want to set it down—there's a good spot, by the window."

The boy said, "Will you tell Mr. Calker I took it to his office, like he said? But the place was closed. Nobody there at all. So I brought it back here." He set it down. The wrapping paper fell away, and Ruth stared in astonishment.

In place of other ornaments the tree was decorated with small white envelopes. Each one, dangling by a string, bore a name. . . .

Sam Calker was in the door now. His eye caught Ruth's, then he cleared his throat and did his best to talk in a matter-of-fact tone.

"Look, folks," he said. "Last night—and this morning—I did a bit of—thinking. A man thinks differently with those carillons chiming in his ears. . . . Anyhow, I—I got to thinking how any losses the Calker Stores took this year were my fault, not yours. *You* worked as hard as ever. But I made a few pretty terrible mistakes in the new stores I opened. And it hit me, all of a sudden, that I was penalizing you for my mistakes. . . . Folks, I—I'm sorry if I gave you a few bad days. But I've decided Christmas is no time for disappointments. And I know the Calker Stores will survive this. You'll find your usual bonus checks in those envelopes. And I've wired our stores that their checks are on the way, too. So—a merry Christmas! Help yourselves to the envelopes."

Sam turned away. He went back into the study, shutting the door.

And Ruth, staring after him, felt her heart pounding. Hard? Unsentimental? This man who, even in a bad year, could make a \$30,000 Christmas gesture?

She went quickly across the room. She stood a moment with her hand on the doorknob. Dan Olin, serving as a Santa Claus, called her name and waved an envelope. She did not hear him.

Firmly she turned the knob, slipped through the door and closed it quietly behind her.

Outside, the bell of the Salvation Army Santa Claus tinkled and the carillons sang their carols. Those in the room started to sing to their music. But Dan Olin stared at the closed door.

Slowly the puzzled look on his face faded as a growing understanding lighted his eyes.

"It's a merry, merry Christmas, all right!" he said.



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ARE THEY BLUFFING?

Tough-minded Frank Howley who dealt with the Russians for 4 years in the American sector of Berlin gives a refreshing estimate of their character and capabilities in this issue. See page 29 of Nation's Business.

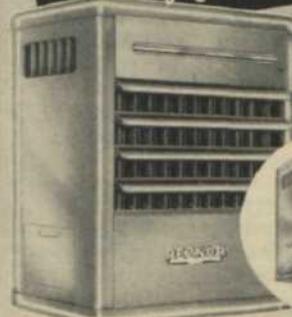
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By My Way

By R. L. DUFFUS



When the bells ring

THIS MONTH we are bound to think, and surely most of us love to think, about peace on earth and good will among men. As the month goes by the Christmas carols come nearer, at first a far-off singing, then closer and more audible until there is a night when the bells ring and we hear them everywhere. My daily routine takes me through a great city railway station, where at this season of the year there is almost always a choir on the balcony about the vast concourse. People of many faiths, and probably some who are not aware that they have any faith, pass through this concourse—larger in its height and extent than any palace of kings or emperors. They stop, or walk more slowly, when this singing is going on; and I have seen hard faces soften and cold eyes grow misty.

It is easy to lose one's trust in human nature. It is easy to believe that peace and good will are lost



causes because of the selfishness and cruelty of mankind. Yet does not each one of us feel some generous impulse at this season of the year? And shall any one of us set himself up as a saintly exception, denying to others the warm emotions he himself feels? No, I think that the spirit of Christmas would carry the day if it could be put to a vote. I think that good will is natural and human, not ill will. I think, remembering long-past Christmases and the persons who shared them, that the spirit of Christmas will some day extend beyond the month of December and sweep the world, from pole to pole and ocean to ocean.

Do turtles travel?

MR. EDWIN BARKER, a farmer living near Logan, Ohio, found a turtle bearing his father's (Mr. Barker's father's, that is) initials and a date: "E. B., 1883." Mrs. Garrett McIntyre of Gallipolis, Ohio, so says the United Press, found another turtle near her home. She had carved her initials on it in 1911 and it was still there. From these and similar incidents science concludes that turtles—at least some turtles—do not travel far. But I am not sure this is the case. Let us suppose that some turtle carved *his* initials on *my* back in 1911. Or 1934, when I moved to where I now live. Since that time I have been in Rome, Paris, London, Edinburgh, Maumee, Ohio, San Francisco, and other places. What this proves is that when I get tired of being away from home I come home. The same may be the case with turtles. A turtle is nobody's fool. He likes travel but he also likes to be with people he knows and in places with which he is familiar.

Old-fashioned but—

QUITE A NUMBER of "country stores" have sprung up lately within driving distance of where I live. I am sentimental about them, as most old-timers are. But I notice that most of them have frozen food cabinets, sell most of their goods in handy packages or containers and are fanatically sanitary. And I don't believe a real, old-fashioned country store, with a cracker barrel, cheese exposed on the counter and a cat (even a first-class cat) asleep among the miscellaneous groceries, would really please us. What we all want here, as in other situations, is the nostalgic atmosphere, plus the modern conveniences. This is human and has been so since 5,148 B.C., when the phenomenon was first noticed.

Preview of winter

I ANTICIPATED winter by ascending Mount Washington shortly before

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NATION'S BUSINESS
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fore Nature's time superseded the daylight-saving variety. I had planned to walk up but was afraid I would get run over by some of the younger generation, who were dashing up the trails with determined expressions and 40-pound packs. I also feared I might be late for dinner. The good old mountain was doing herself proud with a temperature of 19 degrees Fahrenheit and a coating of frost that might just as well have been snow. Most of my fellow travelers (and I wish it clearly understood I am not speaking politically) appeared to be just as eager to get down as they had been to get up. In fact, I often think that people go up mountains and also go to other places not so much to be there as to be able to say they have been there.



Bears on the rampage

IN RANDOLPH, N. H., I was told, there are still bears. They don't live right down by the post office, of course—they have suburban homes and commute. One of them went off last fall with a sheep that didn't belong to him. Somebody had been tearing down the trail signs on the lower slopes and my informants said that they thought the bears had done it. Some thought this was because there was salt—or seemed to be salt—in the paint on the signs. Others agreed with a wise man in Randolph who maintained that bears just naturally don't like trails. His theory, I gathered, was that bears think the woods belong to them and regard human beings as trespassers. If they can chew up a trail sign or—better yet—turn it around so that a hiker gets lost they sit around in their cozy dens and, like little Audrey, laugh and laugh and laugh. I do not think this is right but I suppose we should try to understand the bears' point of view. After all, they were here first.

The 50,000 mile post

IF I WERE poetically inclined I believe I might do a sonnet about the feelings one has as one drives slowly along a side road (I do not

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recommend the Pennsylvania Turnpike for this) and watches the dear old family car change its meter reading from 49,999.9 miles to 50,000 miles. We did this recently, my wife and I. I thought of the first few miles, when this machine, which had not yet acquired a personality, was new and shiny.

I thought of the day (I believe it was on Route 10, in New Hampshire, below Hanover) when it went to 20,000. Even then it was still quite shiny and approached the steepest grades with almost youthful enthusiasm. Later it took us to many places—to North Carolina, to Cape Cod, to (by some help from the ferry) Martha's Vineyard, to Murray Bay, P. Q. In various spots and localities it acquired some dents and scratches, but happily never got into the newspapers or on the police records.

As time and miles went by it developed rattles here and there—not serious but still enough to make one think of the end of all things, animate and inanimate.

True modesty

I HAVE BEEN calling on a friend who happens to be a gifted artist—one of the foremost in his field in the whole world. But you would not guess this from his manner. He is rather apologetic than otherwise when he speaks about himself or his work. If I were in his place I'm afraid I would brag a little—in a nice way, I hope. It is easy for most of us to be, or appear, modest, because if we didn't people would wonder why. But he has behind him a lifetime of distinguished achievement. He has so much to be modest about that it would do for a dozen or so of us lesser mortals. And I think this is typical of really creative men. They don't brag—they don't have to. It doesn't even occur to them to, because what they can do—and the rest of us can't—seems to them ridiculously easy. I shall take this as a lesson if I ever become a genius. But I am not much worried about that possibility.

Spring—in December

THE POET Shelley asked, in lovely words, whether if winter came spring could be far behind. It all depends on where a person lives and of what winter and spring he is speaking. In California and Florida spring is likely to be right there, though if you raise citrus fruits you may have to get the

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Read "Look At Tomorrow" in Nation's Business for January.

smudge pots out occasionally. In North Dakota, Minnesota, northern New England and such places spring hibernates like the bear and you can't tell when she will emerge. Shelley's spring was Browning's spring, and Browning said, "Oh, to be in England now that April's there." That is all right for England, where people often don't know whether it is cold or not, they are so used to it. It is not all right for some American localities, where you may find yourself up to your neck in snow in April. I do not know precisely what will be going on when these words appear in print but I am not going to take Shelley—or Browning, either—too literally. I am going to lay in some fuel and keep my snow shovel ready for use. Whether I use it myself or exploit somebody who may come past the day after the big blizzard and offer to clear my drive at the rate of \$5 an hour—that is another matter.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, AND CIRCULATION REQUIRED BY THE ACT OF CONGRESS OF AUGUST 24, 1912, AS AMENDED BY THE ACTS OF MARCH 3, 1933, AND JULY 2, 1946, of NATION'S BUSINESS published monthly at Greenwich, Connecticut and Washington, D. C., for October 1, 1950.

1. The names and addresses of the publisher, editor, managing editor, and business manager are: Publisher, Chamber of Commerce of the United States of America, Washington, D. C.; Editor, Lawrence F. Hurley, Washington, D. C.; Managing Editor, Paul McCrea, Washington, D. C.; Business Manager, John F. Kelley, Washington, D. C.

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JOHN F. KELLEY

Signature of Business Manager

Sworn to and subscribed before me this 28th day of September, 1950
(Seal)

WILLIAM A. CREVELING
(My commission expires Nov. 14, 1953)



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